Pages 5013–5072

PART II

FEDERAL REGISTER

VOLUME 25 NUMBER 110

Washington, Tuesday, June 7, 1960

Uniform System of Accounts for Public Utilities and Licensees

Title 18—CONSERVATION OF POWER

Chapter I—Federal Power Commission

SUBCHAPTER C—ACCOUNTS, FEDERAL POWER ACT

[Order No. 218; Docket No. R-173]

PART 101—UNIFORM SYSTEM OF ACCOUNTS PRESCRIBED FOR CLASS A AND CLASS B PUBLIC UTILITIES AND LICENSEES

This Commission has under consideration in this proceeding the revision of its Uniform System of Accounts Prescribed for Class A and Class B Public Utilities and Licensees, Part 101, Chapter I, Title 18, Code of Federal Regulations (CFR). That System of Accounts, as revised, is prescribed hereinafter to become effective January 1, 1961.

Part 101, §§ 101.02-1—101.905, corresponds to, and appears at pp. 4-145 of the Commission's pamphlet publication of its Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act, effective January 1, 1937, revised to September 1, 1957,[1] as amended by Order No. 204 issued May 29, 1958 (23 F.R. 4160, June 12, 1958).[2] The System of Accounts, as revised and prescribed hereinafter, follows the numbering system (accounts, instructions, definitions, etc.) used in the Commission's pamphlet edition, referred to above.

Important developments in the electric power industry since the adoption of the Uniform System of Accounts effective January 1, 1937, and the Commission's experience over the intervening 23 years, indicated the need for a revision of the System of Accounts. Accordingly, this proceeding was commenced by Notice of Proposed Rulemaking served upon interested parties, including State and Federal regulatory agencies, and by publication in the FEDERAL REGISTER on May 14, 1959 (24 F.R. 3905). Copies of a proposed revised System of Accounts were served and published as a part of that general notice.

Generally speaking, the revisions of the Commission's System of Accounts, as then proposed, are prescribed hereinafter as a part of the Commission's System of Accounts to become effective January 1, 1961. Additional revisions and modifications of those previously proposed, are detailed hereinafter.

Overall, the more significant changes and improvements to be found in the revised System of Accounts prescribed herein are as follows:

(a) Redefinition of size classifications of electric utilities to permit more simplified accounting requirements for smaller utilities;

(b) Inclusion of accounts for nuclear power plant operations;

(c) Improvement and clarification of account texts and instructions, lessening of special filing requirements for certain subject matters, provision of certain needed new instructions, simplification of account numbering;

(d) Rearrangement of balance sheet and certain other accounts to make them more informative;

(e) Reduction in the number of expense account classifications, mainly, but not entirely, by the discontinuance of segregations of functional accounts as to labor and other expenses;

(f) Expansion of items lists of account texts and clearer description of such items according to their functional nature, to facilitate use and consistency of respective account classifications;

(g) Restatements of the accounting aspects of certain accounting interpretations issued in the past.

None of these changes affect, adversely, the basic principles, generally, of the Commission's existing System of Accounts. They remain undisturbed.

In recommending the form of revised System of Accounts accompanying the Notice of Proposed Rulemaking in this proceeding, the staff of this Commission correlated its activities with the activities of the National Association of Railroad and Utility Commissioners (NARUC) which has recently prepared a revised form of the NARUC's Uniform System of Accounts for Class A and Class B Electric Utilities. This was done to promote continued consistency and uniformity of approach to the common problems with which the two accounting systems are concerned; and to assure a minimum amount of deviation where the two accounting systems do differ. The staff's activities in this regard were undertaken mainly with the Committee on Statistics and Accounts of the NARUC.

Subsequent to the general public notice of rulemaking in this proceeding on May 14, 1959,[3] comments and suggestions were filed by the following classes of respondents:

State Public Service Commissions (Missouri, New York)	2
State Auditor (Washington)	1
Municipality (Colorado Springs)	1
Electric Utilities	29
Utility Service Companies	2
Public Accounting Firms	4
Accounting Professional Societies	2
Legal Firms	2
Total	43

These comments, criticisms, and suggestions covered a wide spectrum. Some respondents objected to any general revision of the effective System of Accounts as unnecessary, expensive, and time consuming. Also, issue was taken with some definitions of basic terms. Other respondents urged basic changes in the accounting requirements for income taxes and other matters contrary to settled Commission policy and decisions. Objections were made to the specificity of the records requirements for depreciation and certain other accounts. Some respondents further suggested that this Commission completely abandon its cost accounting policies in favor of a fair value concept of depreciation.

In reviewing all of the responses, the staff of this Commission again correlated its activities with those of the NARUC Committee on Statistics and Accounts at a conference held December 8, 9, and 10, 1959. Thereafter, the staff presented its recommendations in this matter to the Commission. The staff recommends Commission adoption of the revised System of Accounts as proposed in the Notice of Proposed Rulemaking initiating this proceeding with the following further revisions or modifications (page citations are to Volume 24 of the FEDERAL REGISTER, issue of May 14, 1959):

Page 3907: *Definition 28, "Retirement Units":* Change word "utility" in the next to last line of text to "electric".

Pages 3907-08: *General Instruction 3, Numbering System:* Delete present paragraph C. Substitute the following revision:

C. The numbers prefixed to account titles are to be considered as parts of the titles. Each utility, however, may adopt for its own purposes a different system of account numbers (see also General Instruction 2D) provided that the numbers herein prescribed shall appear in the descriptive headings of the ledger accounts and in the various sources of original entry; however, if a utility uses a different group of account numbers and it is not practicable to show the prescribed account numbers in the various sources of original entry, such reference to the prescribed account numbers may be omitted from the various sources of original entry. Moreover, each utility using different account numbers for its own purposes shall keep readily available a list of such account numbers which it uses and a reconciliation of such account numbers with the account numbers provided herein. It is intended that the utility's records shall be so kept as to permit ready analysis by prescribed accounts (by direct reference to sources of original entry to the extent practicable) and to permit preparation of financial and operating statements directly from such records at the end of each accounting period according to the prescribed accounts.

Pages 3908-09: *Electric Plant Instruction 1. Classification of Electric Plant at Effective Date of System of Accounts:* In paragraph C, third sentence, add word "if" after phrase "contributions in aid of construction". Sentence will then read "* * * provisions for depreciation and amortization and contributions in aid of construction if recorded by the accounting utility * * *."

Page 3910: *Electric Plant Instruction 5. Electric Plant Purchased or Sold:* De-

[1] The Uniform System of Accounts effective January 1, 1937, was prescribed by Commission Order No. 42 dated June 16, 1936 (1 F.R. 691, July 1, 1936); and was contained in the codification and reissuance of the Commission's general rules promulgated by Commission Order No. 141, December 11, 1947, effective January 1, 1948 (12 F.R. 8461).

[2] Also see Order No. 216 issued October 22, 1959 (24 F.R. 8790, October 29, 1959).

[3] All parties were given to and including June 19, 1959, later extended to and including September 30, 1959 (24 F.R. 5001, June 19, 1959), to submit data, views, and comments in writing concerning the aforesaid proposed revisions in the Commission's then effective Uniform System of Accounts.

lete present paragraph B(4). Substitute the following revision:

(4) The amount of contributions in aid of construction applicable to the property acquired, shall be charged to account 102, Electric Plant Purchased or Sold, and concurrently credited to account 271, Contributions in Aid of Construction, unless otherwise authorized by the Commission.

Page 3911: *Electric Plant Instruction 7. Land and Land Rights:* Change item 3 of Paragraph I to read:

3. Clearing (first cost) the land of brush, trees, and debris, except in the case of account 332, Reservoirs, Dams and Waterways, and Account 351 (Transmission Plant), Clearing Land and Rights of Way.

Page 3912: *Electric Plant Instruction 9, Equipment:* Paragraph B, fourth line change "($50 or less)" to read "(for example, $50 or less)".

Page 3913: *Electric Plant Instruction 11. Work Order and Property Record System Required:* Change paragraph C to read:

C. Each utility shall maintain records in which, for each plant account, the amount of the annual additions and retirements, subsequent to the effective date of this system of accounts, are classified so as to show the number and cost of the various record units or retirement units.

Page 3914: *Operating Expense Instruction 3. Rents:* Delete note following paragraph D.

Page 3915: *Balance Sheet Accounts:* Change title of *Account 151* to *"Fuel Stock."*

Change title of *Account 152* to *"Fuel Stock Expenses Undistributed."*

Change title of *Account 163* to *"Stores Expense Undistributed."*

Change title of reference *11* to *"Accumulated Deferred Income Taxes."*

Change title of *Account 281* to *"Accumulated Deferred Income Taxes—Accelerated Amortization."*

Change title of *Account 282* to *"Accumulated Deferred Income Taxes—Liberalized Depreciation."*

Change title of *Account 283* to *"Accumulated Deferred Income Taxes—Other."*

Page 3917: *Account 124, Other Investments:* Change reference sentence at end of paragraph B to read: "(See also account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, and account 217, Reacquired Capital Stock)".

Page 3918: *Account 142, Customer Accounts Receivable:* Change paragraph B to read: "This account shall be maintained so as to permit ready segregation of the amounts due for merchandising, jobbing, and contract work."

Page 3918: *Account 151, Fuel:* Change title of *Account 151* to *"Fuel Stock."*

Page 3918: *Account 152, Fuel Stock Expenses:* Change title of *Account 152* to *"Fuel Stock Expenses Undistributed."*

Pages 3918–19: *Account 154, Plant Materials and Operating Supplies:* Change first sentence of paragraph A to read: "A. This account shall include the cost of materials purchased primarily for use in the utility business for construction, operation and maintenance purposes."

Page 3919: *Account 154, Plant Materials and Operating Supplies:* Change title reference in last line of note to: "account 163, Stores Expense Undistributed."

Page 3919: *Account 163, Stores Expense:* Change title of *Account 163* to: *"Stores Expense Undistributed."* Change reference to Account 152 in last line of paragraph B to account 152 "Fuel Stock Expenses Undistributed."

Page 3920: *Account 181, Unamortized Debt Discount and Expense:* In paragraph E, twelfth line, place a period after the word "redemption" and delete the following: "after reducing the aggregate of such amounts by an amount equal to the saving in income taxes from the refunding transactions, as to which a special charge of similar amount shall be entered in account 428, Amortization of Debt Discount and Expense."

Page 3921: *Account 213, Discount on Capital Stock;* Page 3922: *Account 214, Capital Stock Expense:* In paragraph B, line 10, of the above accounts, place a period after "account 210" and delete the following: ", and provided, further, that in no event shall debits in excess of accumulated credits from the retirement of stock be charged to account 210."

Page 3922: *Account 217, Reacquired Capital Stock:* In paragraph B, line 15, of the above account, place a period after "210" and delete the following: ", and provided, further, that in no event shall debits in excess of accumulated credits from the retirement of stock be charged to account 210."

Page 3924: *11. Accumulated Deferred Taxes on Income:* Change title to "Accumulated Deferred Income Taxes" and delete the first paragraph. Per Commission Order No. 216, issued October 22, 1959, substitute the following revision:

Public utilities and licensees shall use the accounts provided below for prior accumulations of deferred taxes on income and for additional provisions. A copy of the order or other authorization to practice deferred tax accounting of the state public service commission also having jurisdiction shall be filed with the Commission, or, in the absence of a state public service commission having accounting jurisdiction, the public utility or licensee shall file with this Commission a copy of its plan of accounting for deferred taxes on income. The filing of such order or other authorization, or accounting plan, shall constitute permission for additional accumulations of deferred taxes on income. Account 283 is provided for use of those public utilities and licensees which have obtained permission of the Commission for specific types of deferrals on taxes on income other than with respect to accelerated amortization or liberalized depreciation.

Page 3924: *Account 281, Accumulated Deferred Taxes on Income—Accelerated Amortization:* Change title of *Account 281* to *"Accumulated Deferred Income Taxes—Accelerated Amortization"* and change first sentence of paragraph A to read: "A. This account shall be credited and account 410, Provision for Deferred Income Taxes, shall be * * *."

Change first sentence of paragraph B to read: "B. This account shall be debited and account 411, Income Taxes Deferred in Prior Years—Credit, shall be * * *."

Change fourth and third lines from end of paragraph E to read: "account 411, Income Taxes Deferred in Prior Years—Credit, * * *."

Page 3924: *Account 282, Accumulated Deferred Taxes on Income—Liberalized Depreciation:* Change title of *Account 282* to *"Accumulated Deferred Income Taxes—Liberalized Depreciation"* and change first sentence of paragraph A to read: "A. This account shall be credited and account 410, Provision for Deferred Income Taxes, shall be * * *."

Change first sentence of paragraph B to read: "B. This account shall be debited and account 411, Income Taxes Deferred in Prior Years—Credit, shall be * * *."

Change fourth and third lines from end of paragraph E to read: "count 411, Income Taxes Deferred in Prior Years—Credit, * * *."

Page 3925: *Account 283, Accumulated Deferred Taxes on Income—Other:* Change title of *Account 283* to *"Accumulated Deferred Income Taxes—Other"* and change fourth and fifth lines of paragraph A to read: "* * * and account 410, Provision for Deferred Income Taxes * * *".

Change third and fourth lines of paragraph B to read: "debited and account 411, Income Taxes Deferred in Prior Years—Credit,".

Change fourth and third lines from end of paragraph D to read: "Income Taxes Deferred in Prior Years—Credit, * * *."

Page 3930: *Account 344, Generators:* At end of list of items add the following note: "Note: If prime movers and generators are so integrated that it is not practical to classify them separately, the entire unit may be included in account 344 Generators."

Page 3932: *Account 368, Line Transformers:* Add the following to list of items:

5. Capacitors.
6. Network Protectors.

Page 3934: *Income Accounts:* Change title of *Account 410* to *"Provision for Deferred Income Taxes"*; Change title of *Account 411* to *"Income Taxes Deferred in Prior Years—Credit."*

Page 3935: *Account 410, Provision for Deferred Taxes on Income:* Change title of *Account 410* to *"Provision for Deferred Income Taxes."*

Change reference to Account 411 in third to last line of text of account to read "account 411, Income Taxes Deferred in Prior Years—Credit."

Page 3935: *Account 411, Taxes on Income Deferred in Prior Years—Credit:* Change title of *Account 411* to *"Income Taxes Deferred in Prior Years—Credit."*

Change reference to Account 410 in last line of text of account to read: "Provision for Deferred Income Taxes".

Page 3936: Following the text of *Account 426 Other Income Deductions* add the following note: "Note: The classification of expenses as nonoperating and their inclusion in this account is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes."

Page 3936: *Account 434, Miscellaneous Credits to Surplus:* After the first full sentence of Account 434, add the following sentence: "If an amount otherwise required by the Uniform System of Accounts to be credited to this account is not significant with respect to net income determination for the year, it may be credited to the appropriate nonoperating income account. (See also General Instruction 7. Delayed Items.)."

Page 3936: *Account 435, Miscellaneous Debits to Surplus:* After the first full sentence of Account 435, add the following sentence: "If an amount otherwise required by the Uniform System of Accounts to be charged to this account is not significant with respect to income determination for the year, it may be charged to the appropriate nonoperating income deduction account. (See also General Instruction 7. Delayed Items.)."

Page 3937: *Account 442, Commercial and Industrial Sales:* Present note becomes "Note B".

Add the following note as Note A to the text of Account 442:

NOTE A: If the utility classifies large commercial and industrial customers and related revenues on a lesser basis than 1000 kilowatts of demand, or segregates industrial customers and related revenues according to a recognized definition of an industrial customer, such classifications are acceptable in lieu of those otherwise required by the text of this account on the basis of 1000 kilowatts of demand.

Page 3938: *Operation and Maintenance Expense Accounts:* Delete "and improvements" from title of Account 529.

Page 3939: *Account 501, Fuel:* Second line of paragraph B, change reference to Account 151, Fuel to "account 151, Fuel Stock."

Sixth and seventh lines of paragraph B, change reference to Account 152, to "account 152, Fuel Stock Expenses Undistributed."

At the end of paragraph B, add the following sentence: "Respective amounts of fuel stock and fuel stock expenses shall be readily available."

Page 3941: *Account 529, Maintenance of Structures and Improvements:* Delete "and Improvements" from title of account.

Page 3942: *Account 547, Fuel:* Change the reference to Account 151, Fuel, in the second line of the text of Account 547 to "account 151, Fuel Stock."

Page 3945: *Account 588, Miscellaneous Distribution Expenses:* Change the reference to Account 163 in last line of item 8 to "account 163, Stores Expense Undistributed."

Page 3947: *Account 913, Advertising Expenses:* Change the last three lines of Note B to read: "and accounts 416 or 915, as appropriate, on the basis of space, time, or other proportional factors."

Page 3948: *Account 924, Property Insurance:* In Note B(1), change reference to Account 163 to: "account 163, Stores Expense Undistributed."

The Commission recognizes that some burden and expense will have to be borne by the accounting and reporting parties affected in connection with the transition from the present to the revised System of Accounts. However, the Commission is of the opinion that the physical burden and monetary cost of the changeover is of minor importance when viewed in relation to the immediate and future benefits to be derived from the revised System of Accounts, as prescribed herein.

For the convenience of all parties concerned, Appendix A set forth below correlates the account titles of the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act, effective January 1, 1937, with the revised System of Accounts prescribed herein effective January 1, 1961. Being a schematic presentation only, and of a very general nature, nothing contained therein shall be construed as in any way modifying the general or specific account titles, texts, and instructions of either of the Systems of Accounts.

Also, it should be noted that for the period of time required for the preparation and publication of the revised System of Accounts prescribed herein in pamphlet form, the revised System of Accounts (18 CFR 101.02-1—101.905) will be available in the printed form set forth below as Appendix B.

The Commission finds:

(1) In view of the foregoing, and upon consideration of all relevant matters presented, it is necessary and appropriate for the purposes of the Federal Power Act that the proposed revised System of Accounts as set forth in the Notice of Proposed Rulemaking (24 F.R. 3906–3949) and as modified by the changes set forth above, be adopted and promulgated as this Commission's revised Uniform System of Accounts Prescribed for Public Utilities and Licensees subject to the provisions of the Federal Power Act, effective January 1, 1961, all in the manner as hereinafter provided.

(2) Good cause exists for the adoption of the revised System of Accounts set forth herein to be effective as of January 1, 1961.

The Commission, acting pursuant to the Federal Power Act, as amended, particularly sections 301(a), 304, and 309 (16 U.S.C. 825, 825c, and 825h), orders:

(A) Effective January 1, 1961, §§ 101.02–1 through 101.905, Part 101 of Subchapter C—Accounts, Federal Power Act (18 CFR 101.02–1 through 101.905) are amended to read as provided by Appendix B set forth below.

(B) Effective January 1, 1961, all Class A and Class B Public Utilities and Licensees under the Federal Power Act shall keep their accounts in the manner set forth in the revised System of Accounts appearing in Appendix B set forth below.

(C) The Secretary of the Commission shall cause prompt publication of this order.

Issued: June 7, 1960.

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

From the system of accounts effective Jan. 1, 1937, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1937		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS			BALANCE SHEET ACCOUNTS
ASSETS AND OTHER DEBITS			ASSETS AND OTHER DEBITS
1. Utility Plant			*1. Utility Plant*
Electric plant in service	100.1	101	Electric plant in service.
Electric plant leased to others	100.2	104	Electric plant leased to others.
Construction work in progress	100.3	106	Completed construction not classified—electric.
		107	Construction work in progress—electric.
Electric plant held for future use	100.4	105	Electric plant held for future use.
Electric plant acquisition adjustments	100.5	114	Electric plant acquisition adjustments.
Electric plant in process of reclassification	100.6	103	Electric plant in process of reclassification.
Electric plant adjustments	107	116	Other electric plant adjustments.
Other utility plant	108	118	Other utility plant.
2. Investment and Fund Accounts		*2. Other Property and Investments*	
Other physical property	110	121	Nonutility property.
Investment in securities of associated companies	111.1	123	Investment in associated companies.
Advances to associated companies	111.2		
Other investments	112	124	Other investments.
Sinking funds	113	125	Sinking funds.
Depreciation fund	114.1	126	Depreciation fund.
Amortization fund—Federal	114.2	127	Amortization fund—Federal.
Miscellaneous special funds	114.3	128	Other special funds.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1937

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1937	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS			BALANCE SHEET ACCOUNTS
ASSETS AND OTHER DEBITS			ASSETS AND OTHER DEBITS
1. Utility Plant			*1. Utility Plant*
Electric plant in service	101	100.1	Electric plant in service.
Electric plant purchased or sold	102	391	Electric plant purchased.
		392	Electric plant sold.
Electric plant in process of reclassification	103	100.6	Electric plant in process of reclassification.
Electric plant leased to others	104	100.2	Electric plant leased to others.
Electric plant held for future use	105	100.4	Electric plant held for future use.
Completed construction not classified—electric	106	100.3	Construction work in progress.
Construction work in progress—electric	107		
Accumulated provision for depreciation and amortization:			
Accumulated provision for depreciation of electric plant in service.	108	250.1	Reserve for depreciation of electric plant in service.
Accumulated provision for depreciation of electric plant leased to others.	109	250.2	Reserve for depreciation of electric plant leased to others.
Accumulated provision for depreciation of electric plant held for future use.	110	250.3	Reserve for depreciation of electric plant held for future use.
Accumulated provision for amortization of electric plant in service.	111	251.1	Reserve for amortization of limited term electric investment—electric plant in service.
Accumulated provision for amortization of electric plant leased to others.	112	251.2	Reserve for amortization of limited term electric investment—electric plant leased to others.
Accumulated provision for amortization of electric plant held for future use.	113	251.3	Reserve for amortization of limited term electric investments—electric plant held for future use.
Electric plant acquisition adjustments	114	100.5	Electric plant acquisition adjustments.
Accumulated provision for amortization of electric plant acquisition adjustments.	115	252	Reserve for amortization of electric plant acquisition adjustments.
Other electric plant adjustments	116	107	Electric plant adjustments.
Other utility plant	118	108	Other utility plant.
Accumulated provision for depreciation and amortization of other utility plant.	119	253	Reserve for depreciation and amortization of other property.
2. Other Property and Investments		*2. Investment and Fund Accounts*	
Nonutility property	121	110	Other physical property.
Accumulated provision for depreciation and amortization of nonutility property.	122	253	Reserve for depreciation and amortization of other property.
Investment in associated companies	123	111.1	Investment in securities of associated companies.
		111.2	Advances to associated companies.
Other investments	124	112	Other investments.
Sinking funds	125	113	Sinking funds.
Depreciation fund	126	114.1	Depreciation fund.
Amortization fund—Federal	127	114.2	Amortization fund—Federal.
Miscellaneous special funds	128	114.3	Other special funds.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for Public Utilities and Licensees effective Jan. 1, 1937, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1937, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1937		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS—Continued			BALANCE SHEET ACCOUNTS—Continued
ASSETS AND OTHER DEBITS—continued			ASSETS AND OTHER DEBITS—continued
3. Current and Accrued Assets			*3. Current and Accrued Assets*
Cash	120	131	Cash.
Interest special deposits	121.1	132	Interest special deposits.
Dividend special deposits	121.2	133	Dividend special deposits.
Miscellaneous special deposits	121.3	134	Other special deposits.
Working funds	122	135	Working funds.
Temporary cash investments	123	136	Temporary cash investments.
Notes receivable	124	141	Notes receivable
Accounts receivable—customers	125.1	142	Customer accounts receivable.
Other accounts receivable	125.2	143	Other accounts receivable.
Notes receivable from associated companies	126.1	145	Notes receivable from associated companies.
Accounts receivable from associated companies	126.2	146	Accounts receivable from associated companies.
Subscriptions to capital stock	127	----	(Eliminated—charges to be made to account 143.)
Interest and dividends receivable	128	171	Interest and dividends receivable.
Rents receivable	129	172	Rents receivable.
Accrued utility revenues	130	173	Accrued utility revenues.
Materials and supplies—electric	131.1	151	Fuel stock.
		152	Fuel stock expenses undistributed.
		153	Residuals.
		154	Plant materials and operating supplies.
Materials and supplies—other	131.2	155	Merchandise.
		156	Other material and supplies.
Prepayments	132	165	Prepayments.
Other current and accrued assets	133	174	Miscellaneous current and accrued assets.
4. Deferred Debits			*4. Deferred Debits*
Unamortized debt discount and expense	140	181	Unamortized debt discount and expense.
Extraordinary property losses	141	182	Extraordinary property losses.
Preliminary survey and investigation charges	142	183	Preliminary survey and investigation charges.
Clearing accounts	143	184	Clearing accounts.
Retirement work in progress	144	----	(Eliminated—charges to be made to account 108.)
Other work in progress	145	----	(Eliminated—charges to be made to account 186.)
Other deferred debits	146	186	Miscellaneous deferred debits.
5. Capital Stock Discount and Expense			
Discount on capital stock	150	213	Discount on capital stock.
Capital stock expense	151	214	Capital stock expense.
6. Reacquired Securities			
Reacquired capital stock	152	217	Reacquired capital stock.
Reacquired long-term debt	153	222	Reacquired bonds.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1937

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1937	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS—Continued			BALANCE SHEET ACCOUNTS—Continued
ASSETS AND OTHER DEBITS—continued			ASSETS AND OTHER DEBITS—continued
3. Current and Accrued Assets			*3. Current and Accrued Assets*
Cash	131	120	Cash.
Interest special deposits	132	121.1	Interest special deposits.
Divided special deposits	133	121.2	Dividend special deposits.
Other special deposits	134	121.3	Miscellaneous special deposits.
Working funds	135	122	Working funds.
Temporary cash investments	136	123	Temporary cash investments.
Notes receivable	141	124	Notes receivable.
		221	Notes receivable discounted.
Customer accounts receivable	142	125.1	Accounts receivable—customer.
Other accounts receivable	143	125.2	Other accounts receivable.
		127	Subscriptions to capital stock
Accumulated provision for uncollectible accounts—credit.	144	254	Reserve for uncollectible accounts.
Notes receivable from associated companies	145	126.1	Notes receivable from associated companies.
Accounts receivable from associated companies	146	126.2	Accounts receivable from associated companies.
Fuel stock	151	131.1	Materials and supplies—electric.
Fuel stock expenses undistributed	152		
Residuals	153		
Plant materials and operating supplies	154		
Merchandise	155	131.2	Materials and supplies—other.
Other materials and supplies	156		
Nuclear fuel assemblies and components—in reactor.	157	----	New account.
Nuclear fuel assemblies and components—stock account.	158	----	New account.
Nuclear byproduct materials	159	----	New account.
Stores expenses undistributed	163	902	Stores expense—clearing.
Prepayments	165	132	Prepayments.
Interest and dividends receivable	171	128	Interest and dividends receivable.
Rents receivable	172	129	Rents receivable.
Accrued utility revenues	173	130	Accrued utility revenues.
Miscellaneous current and accrued assets	174	133	Other current and accrued assets.
4. Deferred Debits			*4. Deferred Debits*
Unamortized debt discount and expense	181	140	Unamortized debt discount and expense.
Extraordinary property losses	182	141	Extraordinary property losses.
Preliminary survey and investigation charges	183	142	Preliminary Survey and investigation charges.
Clearing accounts	184	143	Clearing accounts.
Temporary facilities	185	----	New account.
Miscellaneous deferred debits	186	146	Other deferred debits.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for Public Utilities and Licensees effective Jan. 1, 1937, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1937, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1937		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS—Continued			BALANCE SHEET ACCOUNTS—Continued
LIABILITIES AND OTHER CREDITS			LIABILITIES AND OTHER CREDITS
7. Capital Stock			*5. Proprietary Capital*
Common capital stock	200	201	Common stock issued.
Preferred capital stock	201	204	Preferred stock issued.
Stock liability for conversion	202	203	Common stock liability for conversion.
		206	Preferred stock liability for conversion.
Premiums and assessments on capital stock	203	207	Premiums on capital stock.
Capital stock subscribed	204	202	Common stock subscribed.
		205	Preferred stock subscribed.
Installments received on capital stock	205	212	Installments received on capital stock.
8. Long-Term Debt			*6. Long-Term Debt*
Bonds	210	221	Bonds.
Receivers certificates	211	224	Other long-term debt.
Advances from associated companies—notes	212.1	223	Advances from associated Companies.
Advances from associated companies—open accounts.	212.2		
Miscellaneous long-term debt	213	224	Other long-term debt.
9. Current and Accrued Liabilities			*7. Current and Accrued Liabilities*
Notes payable	220	231	Notes payable.
Notes receivable discounted	221	141	Notes receivable.
Accounts payable	222	232	Accounts payable.
Notes payable to associated companies	223.1	233	Notes payable to associated companies.
Accounts payable to associated companies	223.2	234	Accounts payable to associated companies.
Dividends declared	224	238	Dividends declared.
Matured long-term debt	225	239	Matured long-term debt.
Matured interest	226	240	Matured interest.
Customers deposits	227	235	Customer deposits.
Taxes accrued	228	236	Taxes accrued.
Interest accrued on long-term debt	229.1	237	Interest accrued.
Interest accrued on other liabilities	229.2		
Other current and accrued liabilities	230	242	Miscellaneous current and accrued liabilities.
10. Deferred Credits			*8. Deferred Credits*
Unamortized premium on debt	240	251	Unamortized premium on debt.
Customers advances for construction	241	252	Customers advances for construction.
Other deferred credits	242	253	Other deferred credits.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1937

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1937	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS—Continued			BALANCE SHEET ACCOUNTS—Continued
LIABILITIES AND OTHER CREDITS			LIABILITIES AND OTHER CREDITS
5. Proprietary Capital			*7. Capital Stock*
			14. Surplus
Common stock issued	201	200	Common capital stock.
Common stock subscribed	202	204	Capital stock subscribed.
Common stock liability for conversion	203	202	Stock liability for conversion.
Preferred stock issued	204	201	Preferred capital stock.
Preferred stock subscribed	205	204	Capital stock subscribed.
Preferred stock liability for conversion	206	202	Stock liability for conversion.
Premium on capital stock	207	203	Premiums on assessments on capital stock.
Donations received from stockholders	208	-------	New account (included in account 270, capital surplus).
Reduction in par or stated value of capital stock	209	-------	New account (included in account 270, capital surplus).
Gain on resale or cancellation of reacquired capital stock.	210	-------	New account (included in account 270, capital surplus).
Miscellaneous paid-in-capital	211	-------	New account (included in account 270, capital surplus).
Installment received on capital stock	212	205	Installments received on capital stock.
Discount on capital stock	213	150	Discount on capital stock.
Capital stock expense	214	151	Capital stock expense.
Appropriated earned surplus	215	413	Miscellaneous reservations of surplus.
Unappropriated earned surplus	216	271	Earned surplus.
Reacquired capital stock	217	152	Reacquired capital stock.
6. Long-Term Debt			*8. Long-Term Debt*
Bonds	221	210	Bonds.
Reacquired bonds	222	153	Reacquired long-term debt.
Advances from associated companies	223	212.1	Advances from associated companies—notes.
		212.2	Advances from associated companies—open accounts.
Other long-term debt	224	211	Receiver's certificates.
		213	Miscellaneous long-term debt.
7. Current and Accrued Liabilities			*9. Current and Accrued Liabilities*
Notes payable	231	220	Notes payable.
Accounts payable	232	222	Accounts payable.
Notes payable to associated companies	233	223.1	Notes payable to associated companies.
Accounts payable to associated companies	234	223.1	Accounts payable to associated companies.
Customer deposits	235	227	Customers deposits.
Taxes accrued	236	228	Taxes accrued.
Interest accrued	237	229.1	Interest accrued on long-term debt.
		229.2	Interest accrued on other liabilities.
Dividends declared	238	224	Dividends declared.
Matured long-term debt	239	225	Matured long-term debt.
Matured interest	240	226	Matured interest.
Tax collections payable	241	-------	New account.
Miscellaneous current and accrued liabilities	242	230	Other current and accrued liabilities.
8. Deferred Credits			*10. Deferred Credits*
Unamortized premium on debt	251	240	Unamortized premium on debt.
Customers advances for construction	252	241	Customers advances for construction.
Other deferred credits	253	242	Other deferred credits.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for Public Utilities and Licensees effective Jan. 1, 1937, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1937, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1937		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS—Continued			BALANCE SHEET ACCOUNTS—Continued
LIABILITIES AND OTHER CREDITS—continued			LIABILITIES AND OTHER CREDITS—continued
11. Reserves			*9. Operating Reserves*
Reserve for depreciation of electric plant in service.	250.1	108	Accumulated provision for depreciation of electric plant in service.
Reserve for depreciation of electric plant leased to others.	250.2	109	Accumulated provision for depreciation of electric plant leased to others.
Reserve for depreciation of electric plant held for future use.	250.3	110	Accumulated provision for depreciation of electric plant held for future use.
Reserve for amortization of limited-term electric investments—electric plant in service.	251.1	111	Accumulated provision for amortization of electric plant in service.
Reserve for amortization of limited-term electric investments—electric plant leased to others.	251.2	112	Accumulated provision for amortization of electric plant leased to others.
Reserve for amortization of limited-term electric investments—electric plant held for future use.	251.3	113	Accumulated provision for amortization of electric plant held for future use.
Reserve for amortization of electric plant acquisition adjustments.	252	115	Accumulated provision for amortization of electric plant acquistition adjustments.
Reserve for depreciation and amortization of other property.	253	119	Accumulated provision for depreciation and amortization of other utility plant.
Reserve for uncollectible accounts	254	144	Accumulated provision for uncollectible accounts—credit.
Insurance reserve	255	261	Property insurance reserve.
Injuries and damages reserve	256	262	Injuries and damages reserve.
Employees' provident reserve	257	263	Pension and benefits reserve.
Amortization reserve—Federal	258.1	264	Amortization reserve—Federal.
Miscellaneous reserves	258.2	265	Miscellaneous operating reserve.
12. Contributions in Aid of Construction			*10. Contributions in Aid of Construction*
Contributions in aid of construction	265	271	Contributions in aid of construction.
13. Accumulated Deferred Taxes on Income			*11. Accumulated Deferred Income Taxes*
Accumulated deferred taxes on income—accelerated amortization.	266.1	281	Accumulated deferred income taxes—accelerated amortization.
Accumulated deferred taxes on income—liberalized depreciation.	266.2	282	Accumulated deferred income taxes—liberalized depreciation.
Accumulated deferred taxes on income—other	266.3	283	Accumulated deferred income taxes—other.
14. Surplus			
Capital surplus	270	208	Donations received from stockholders.
		209	Reduction in par or stated value of capital stock.
		210	Gain on resale on cancellation of reacquired capital stock.
		211	Miscellaneous paid in capital.
Earned surplus	271	215	Appropriated earned surplus.
		216	Unappropriated earned surplus.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1937

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1937	
Account title	No.	No.	Account title
BALANCE SHEET ACCOUNTS—Continued			BALANCE SHEET ACCOUNTS—Continued
LIABILITIES AND OTHER CREDITS—continued			LIABILITIES AND OTHER CREDITS—continued
9. Operating Reserves			*11. Reserves*
Property insurance reserve	261	255	Insurance reserve.
Injuries and damages reserve	262	256	Injuries and damages reserves.
Pensions and benefits reserve	263	257	Employees' provident reserve.
Amortization reserve—Federal	264	258.1	Amortization fund—Federal.
Miscellaneous operating reserve	265	258.2	Other reserves.
10. Contributions in Aid of Construction			*12. Contributions in Aid of Construction*
Contributions in aid of construction	271	265	Contributions in aid of construction.
11. Accumulated Deferred Income Taxes			*13. Accumulated Deferred Taxes on Income*
Accumulated deferred income taxes—accelerated amortization.	281	266.1	Accumulated deferred taxes on income—accelerated amortization.
Accumulated deferred income taxes—liberalized depreciation.	282	266.2	Accumulated deferred taxes on income—liberalized depreciation.
Accumulated deferred income taxes—other	283	266.3	Accumulated deferred taxes on income—other.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for Public Utilities and Licensees effective Jan. 1, 1937, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1937, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1937		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
ELECTRIC PLANT ACCOUNTS			ELECTRIC PLANT ACCOUNTS
1. Intangible Plant			*1. Intangible Plant*
Organization	301	301	Organization.
Franchises and consents	302	302	Franchises and consents.
Miscellaneous intangible plant	303	303	Miscellaneous intangible plant.
2. Production Plant			*2. Production Plant*
A. Steam Production			*A. Steam Production*
Land and land rights	310	310	Land and land rights.
Structures and improvements	311	311	Structures and improvements.
Boiler plant equipment	312	312	Boiler plant equipment.
Engines and engine driven generators	313	313	Engines and engine driven generators.
Turbogenerator units	314	314	Turbogenerator units.
Accessory electric equipment	315	315	Accessory electric equipment.
Miscellaneous power plant equipment	316	316	Miscellaneous power plant equipment.
B. Hydraulic Production			*C. Hydraulic Production*
Land and land rights	320	330	Land and land rights.
Structures and improvements	321	331	Structures and improvements.
Reservoirs, dams, and waterways	322	332	Reservoirs, dams, and waterways.
Water wheels, turbines, and generators	323	333	Water wheels, turbines, and generators.
Accessory electric equipment	324	334	Accessory electric equipment.
Miscellaneous power plant equipment	325	335	Miscellaneous power plant equipment.
Roads, railroads, and bridges	326	336	Roads, railroads, and bridges.
C. Internal Combustion Engine Production			*D. Other Production*
Land and land rights	330	340	Land and land rights.
Structures and improvements	331	341	Structures and improvements.
Fuel holders, producers, and accessories	332	342	Fuel holders, producers, and accessories.
Internal combustion engines	333	343	Prime movers.
Generators	334	344	Generators.
Accessory electric equipment	335	345	Accessory electric equipment.
Miscellaneous power plant equipment	336	346	Miscellaneous power plant equipment.
3. Transmission Plant			*3. Transmission Plant*
Land and land rights	340	350	Land and land rights.
Clearing land and rights-of-way	341	351	Clearing land and rights-of-way.
Structures and improvements	342	352	Structures and improvements.
Station equipment	343	353	Station equipment.
Towers and fixtures	344	354	Towers and fixtures.
Poles and fixtures	345	355	Poles and fixtures.
Overhead conductors and devices	346	356	Overhead conductors and devices.
Underground conduit	347	357	Underground conduit.
Underground conductors and devices	348	358	Underground conductors and devices.
Roads and trails	349	359	Roads and trails.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1937

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1937	
Account title	No.	No.	Account title
ELECTRIC PLANT ACCOUNTS			ELECTRIC PLANT ACCOUNTS
1. Intangible Plant			*1. Intangible Plant*
Organization	301	301	Organization.
Franchises and consents	302	302	Franchises and consents.
Miscellaneous intangible plant	303	303	Miscellaneous intangible plant.
2. Production Plant			*2. Production Plant*
A. Steam Production			*A. Steam Production*
Land and land rights	310	310	Land and land rights.
Structures and improvements	311	311	Structures and improvements.
Boiler plant equipment	312	312	Boiler plant equipment.
Engines and engine driven generators	313	313	Engines and engine driven generators.
Turbogenerator units	314	314	Turbogenerator units.
Accessory electric equipment	315	315	Accessory electric equipment.
Miscellaneous power plant equipment	316	316	Miscellaneous power plant equipment.
B. Nuclear Production			
Land and land rights	320		
Structures and improvements	321		
Reactor plant equipment	322	-------	New accounts.
Turbogenerator units	323		
Accessory electric equipment	324		
Miscellaneous power plant equipment	325		
C. Hydraulic Production			*B. Hydraulic Production*
Land and land rights	330	320	Land and land rights.
Structures and improvements	331	321	Structures and improvements.
Reservoirs, dams, and waterways	332	322	Reservoirs, dams, and waterways.
Water wheels, turbines, and generators	333	323	Water wheels, turbines, and generators.
Accessory electric equipment	334	324	Accessory electric equipment.
Miscellaneous power plant equipment	335	325	Miscellaneous power plant equipment.
Roads, railroads, and bridges	336	326	Roads, railroads, and bridges.
D. Other Production			*C. Internal Combustion Engine Production*
Land and land rights	340	330	Land and land rights.
Structures and improvements	341	331	Structures and improvements.
Fuel holders, producers, and accessories	342	332	Fuel holders, producers, and accessories.
Prime movers	343	333	Internal combustion engines.
Generators	344	334	Generators.
Accessory electric equipment	345	335	Accessory electric equipment.
Miscellaneous power plant equipment	346	336	Miscellaneous power plant equipment.
3. Transmission Plant			*3. Transmission Plant*
Land and land rights	350	340	Land and land rights.
Clearing land and rights-of-way	351	341	Clearing land and rights-of-way.
Structures and improvements	352	342	Structures and improvements.
Station equipment	353	343	Station equipment.
Towers and fixtures	354	344	Towers and fixtures.
Poles and fixtures	355	345	Poles and fixtures.
Overhead conductors and devices	356	346	Overhead conductors and devices.
Underground conduit	357	347	Underground conduit.
Underground conductors and devices	358	348	Underground conductors and devices.
Roads and trails	359	349	Roads and trails.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for Public Utilities and Licensees effective Jan. 1, 1937, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1937, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1937		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
ELECTRIC PLANT ACCOUNTS—Continued			ELECTRIC PLANT ACCOUNTS—Continued
4. Distribution Plant			*4. Distribution Plant*
Land and land rights	350	360	Land and land rights.
Structures and improvements	351	361	Structures and improvements.
Station equipment	352	362	Station equipment.
Storage battery equipment	353	363	Storage battery equipment.
Poles, towers, and fixtures	354	364	Poles, towers and fixtures.
Overhead conductors and devices	355	365	Overhead conductors and devices.
Underground conduit	356	366	Underground conduit.
Underground conductors and devices	357	367	Underground conductors and devices.
Line transformers	358	368	Line transformers.
Services	359	369	Services.
Meters	360	370	Meters.
Installations on customers' premises	361	371	Installations on customers' premises.
Leased property on customers' premises	362	372	Leased property on customers' premises.
Street lighting and signal systems	363	373	Street lighting and signal systems.
5. General Plant			*5. General Plant*
Land and land rights	370	389	Land and land rights.
Structures and improvements	371	390	Structures and improvements.
Office furniture and equipment	372	391	Office furniture and equipment.
Transportation equipment	373	392	Transportation equipment.
Stores equipment	374	393	Stores equipment.
Shop equipment	375	394	Tools, shop and garage equipment.
Laboratory equipment	376	395	Laboratory equipment.
Tools and work equipment	377	394	Tools, shop and garage equipment.
Communication equipment	378	397	Communication equipment.
Miscellaneous equipment	379	398	Miscellaneous equipment.
Other tangible property	390	399	Other tangible property.
Electric plant purchased	391	102	Electric plant purchased or sold.
Electric plant sold	392		
EARNED SURPLUS ACCOUNTS			
Credits:			Credits:
Earned surplus (at beginning of period)	271	216	Unappropriated earned surplus (at beginning of period).
Credit balance transferred from income account.	400	433	Balance transferred from income.
Miscellaneous credits to surplus	401	434	Miscellaneous credits to surplus.
Debits:			Debits:
Debit balance transferred from income account.	410	433	Balance transferred from income.
Dividend appropriations—preferred stock	411	437	Dividends declared—preferred stock.
Dividend appropriations—common stock	412	438	Dividends declared—common stock.
Miscellaneous reservations of surplus	413	436	Appropriations of surplus.
Miscellaneous debits to surplus	414	435	Miscellaneous debits to surplus.
Earned surplus (at end of period)	271	216	Unappropriated earned surplus (at end of period).

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1937

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1937	
Account title	No.	No.	Account title
ELECTRIC PLANT ACCOUNTS—Continued			ELECTRIC PLANT ACCOUNTS—Continued
4. Distribution Plant			*4. Distribution Plant*
Land and land rights	360	350	Land and land rights.
Structures and improvements	361	351	Structures and improvements.
Station equipment	362	352	Station equipment.
Storage battery equipment	363	353	Storage battery equipment.
Poles, towers and fixtures	364	354	Poles, towers, and fixtures.
Overhead conductors and devices	365	355	Overhead conductors and devices.
Underground conduit	366	356	Underground conduit.
Underground conductors and devices	367	357	Underground conductors and devices.
Line transformers	368	358	Line transformers.
Services	369	359	Services.
Meters	370	360	Meters.
Installations on customers' premises	371	361	Installations on customers' premises.
Leased property on customers' premises	372	362	Leased property on customers' premises.
Street lighting and signal systems	373	363	Street lighting and signal systems.
5. General Plant			*5. General Plant*
Land and land rights	389	370	Land and land rights.
Structures and improvements	390	371	Structures and improvements.
Office furniture and equipment	391	372	Office furniture and equipment.
Transportation equipment	392	373	Transportation equipment.
Stores equipment	393	374	Stores equipment.
Tools, shop and garage equipment	394	375	Shop equipment.
		377	Tools and work equipment.
Laboratory equipment	395	376	Laboratory equipment.
Power operated equipment	396		New account.
Communication equipment	397	378	Communication equipmnet.
Miscellaneous equipment	398	379	Miscellaneous equipment.
Other tangible property	399	390	Other tangible property.
(In the system of accounts effective Jan. 1, 1961, the earned surplus accounts are included with the income accounts. See below.)			

APPENDIX A—*Comparison of the uniform system of accounts prescribed for Public Utilities and Licensees effective Jan. 1, 1937, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1937, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1937		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
INCOME ACCOUNTS			INCOME ACCOUNTS
1. Utility Operating Income			*1. Utility Operating Income*
Operating revenues	501	400	Operating revenues.
Operating revenue deductions:			Operating expenses:
Operating expenses	502	401	Operation expense.
		402	Maintenance expense.
Depreciation	503	403	Depreciation expense.
Amortization of limited-term electric investments.	504	404	Amortization of limited-term electric plant.
Amortization of electric plant acquisition adjustments.	505	406	Amortization of electric plant acquisition adjustments.
Property losses chargeable to operations	506	407	Amortization of property losses.
Taxes	507	408	Taxes other than income taxes.
		409	Income taxes.
Provision for deferred taxes on income	507A	410	Provision for deferred income taxes.
Taxes on income deferred in prior years—credit.	507B	411	Income taxes deferred in prior years—credit.
Income from electric plant leased to others	508	412, 413	Income from electric plant leased to others.
Other utility operating income	509	414	Other utility operating income.
2. Other Income			*2. Other Income*
Income from merchandising, jobbing, and contract work.	520	415, 416	Income from merchandising, jobbing and contract work.
Income from nonutility operations	521	417	Income from nonutility operations.
Revenues from lease of other physical property	522	418	Nonoperating rental income.
Dividend revenues	523	419	Interest and dividend income.
Interest revenues	524		
Revenues from sinking and other funds	525		
Miscellaneous nonoperating revenues	526	421	Miscellaneous nonoperating income.
Nonoperating revenue deductions	527	-------	Deleted.
3. Income Deductions			*3. Miscellaneous Income Deductions*
			4. Interest Charges
Interest on long-term debt	530	427	Interest on long-term debt.
Amortization of debt discount and expense	531	428	Amortization of debt discount and expense.
Amortization of premium on debt—credit	532	429	Amortization of premium on debt—credit.
Taxes assumed on interest	533	431	Other interest expense.
Interest on debt to associated companies	534	430	Interest on debt to associated companies.
Other interest charges	535	431	Other interest expense.
Interest charges to construction—credit	536	432	Interest charged to construction—credit.
Miscellaneous amortization	537	425	Miscellaneous amortization.
Miscellaneous income deductions	538	426	Other income deductions.
4. Disposition of Net Income			
Miscellaneous reservations of net income	540	-------	Deleted.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1937

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1937	
Account title	No.	No.	Account title
INCOME ACCOUNTS			INCOME ACCOUNTS
1. Utility Operating Income			*1. Utility Operating Income*
Operating revenues	400	501	Operating revenues.
Operating expenses:			Operating revenue deductions:
Operation expense	401	502	Operating expenses.
Maintenance expense	402		
Depreciation expense	403	503	Depreciation.
Amortization of limited-term electric plant	404	504	Amortization of limited-term electric investments.
Amortization of other electric plant	405	-------	New account.
Amortization of electric plant acquisition adjustments.	406	505	Amortization of electric plant acquisition adjustments.
Amortization of property losses	407	506	Property losses chargeable to operations.
Taxes other than income taxes	408	507	Taxes.
Income taxes	409		
Provision for deferred income taxes	410	507A	Provision for deferred taxes on income.
Income taxes deferred in prior years—credit	411	507B	Taxes on income deferred in prior years—credit.
Income from electric plant leased to others	412, 413	508	Income from electric plant leased to others.
Other utility operating income	414	509	Other utility operating income.
2. Other Income			*2. Other Income*
Income from merchandising, jobbing and contract work.	415, 416	520	Income from merchandising, jobbing, and contract work.
Income from nonutility operations	417	521	Income from nonutility operations.
Nonoperating rental income	418	522	Revenues from lease of other physical property.
Interest and dividend income	419	523	Dividend revenues.
		524	Interest revenues.
		525	Revenues from sinking and other funds.
Miscellaneous nonoperating income	421	526	Miscellaneous nonoperating revenues.
3. Miscellaneous Income Deductions			*3. Income Deductions*
Miscellaneous amortization	425	537	Miscellaneous amortization.
Other income deductions	426	538	Miscellaneous income deductions.
4. Interest Charges			
Interest on long-term debt	427	530	Interest on long-term debt.
Amortization of debt discount and expense	428	531	Amortization of debt discount and expense.
Amortization of premium on debt—credit	429	532	Amortization of premium on debt—credit.
Interest on debt to associated companies	430	534	Interest on debt to associated companies.
Other interest expense	431	533	Taxes assumed on interest.
		535	Other interest charges.
Interest charged to construction—credit	432	536	Interest charged to construction—credit.
5. Earned Surplus			
Unappropriated earned surplus (at beginning of period).	216	271	Earned surplus (at beginning of period).
Balance transferred from income	433	400	Credit balance transferred from income account.
		410	Debit balance transferred from income account.
Miscellaneous credits to surplus	434	401	Miscellaneous credits to surplus.
Miscellaneous debits to surplus	435	414	Miscellaneous debits to surplus.
Appropriations of surplus	436	413	Miscellaneous reservations of surplus.
Dividends declared—preferred stock	437	411	Dividend appropriations—preferred stock.
Dividends declared—common stock	438	412	Dividend appropriations—common stock.
Unappropriated earned surplus (at end of period)	216	271	Earned surplus (at end of period).

APPENDIX A—*Comparison of the uniform system of accounts prescribed for Public Utilities and Licensees effective Jan. 1, 1937, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1937, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1937		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
OPERATING REVENUE ACCOUNTS			OPERATING REVENUE ACCOUNTS
1. Sales of Electric Energy			*1. Sales of Electricity*
Residential or domestic sales	600	440	Residential sales.
Rural sales	601	440	Residential sales.
		442	Commercial and industrial sales.
Commercial and industrial sales	602	442	Commercial and industrial sales.
Public street and highway lighting	603	444	Public street and highway lighting.
Other sales to public authorities	604	445	Other sales to public authorities.
Sales to other electric utilities	605	447	Sales for resale.
Sales to railroads and railways	606	446	Sales to railroads and railways.
Interdepartmental sales	607	448	Interdepartmental sales.
Other sales	608	----	Deleted.
2. Other Electric Revenues			*2. Other Operating Revenues*
Rent from electric property	610	454	Rent from electric property.
Interdepartmental rents	611	455	Interdepartmental rents.
Customers' forfeited discounts and penalties	612	450	Forfeited discounts.
Sales of water and water power	613	453	Sales of water and water power.
Servicing of customers' installations	614	451	Miscellaneous service revenues.
Miscellaneous electric revenues	615	456	Other electric revenues.
OPERATING EXPENSE ACCOUNTS			OPERATION AND MAINTENANCE EXPENSE ACCOUNTS
1. Production Expenses			*1. Power Production Expenses*
A. Electric Generation—Steam Power			*A. Steam Power Generation*
Operation:			Operation:
Operation supervision and engineering	701	500	Operation supervision and engineering.
Boiler labor	702.1	502	Steam expenses.
Prime mover and generator labor	702.2	505	Electric expenses.
Electric labor	702.3	505	Electric expenses.
Miscellaneous station labor	702.4	506	Miscellaneous steam power expenses.
Fuel	703	501	Fuel.
Water	704	505	Electric expenses.
Lubricants	705.1	502	Steam expenses.
		505	Electric expenses.
Station supplies	705.2	502	Steam expenses.
		505	Electric expenses.
Station expenses	705.3	506	Miscellaneous steam power expenses.
Maintenance:			Maintenance:
Maintenance supervision and engineering	706	510	Maintenance supervision and engineering.
Maintenance of structures and improvements	707	511	Maintenance of structures.
Maintenance of coal storage, handling, and weighing equipment.	708.1	512	Maintenance of boiler plant.
Maintenance of furnaces and boilers	708.2	512	Maintenance of boiler plant.
Maintenance of boiler apparatus	708.3	512	Maintenance of boiler plant.
Maintenance of steam piping and accessories	708.4	512	Maintenance of boiler plant.
Maintenance of prime movers and generators	709.1	513	Maintenance of electric plant.
Maintenance of accessory electric equipment	709.2	513	Maintenance of electric plant.
Maintenance of miscellaneous power plant equipment.	709.3	514	Maintenance of miscellaneous steam plant.
Miscellaneous:			
Rents	710	507	Rents.
Steam from other sources	711	503	Steam from other sources.
Steam transferred—credit	712	504	Steam transferred—credit.
Joint expenses—debit	713	----	Deleted.
Joint expenses—credit	714	----	Deleted.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1937

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1937	
Account title	No.	No.	Account title
OPERATING REVENUE ACCOUNTS			OPERATING REVENUE ACCOUNTS
1. Sales of Electricity			*1. Sales of Electric Energy*
Residential sales	440	600	Residential or domestic sales.
		601	Rural sales.
Commercial and industrial sales	442	602	Commercial and industrial sales.
		601	Rural sales.
Public street and highway lighting	444	603	Public street and highway lighting.
Other sales to public authorities	445	604	Other sales to public authorities.
Sales to railroads and railways	446	606	Sales to railroads and railways.
Sales for resale	447	605	Sales to other electric utilities.
Interdepartmental sales	448	607	Interdepartmental sales.
2. Other Operating Revenues			*2. Other Electric Revenues*
Forfeited discounts	450	612	Customers' forfeited discounts and penalties.
Miscellaneous service revenues	451	614	Servicing of customers' installations.
Sales of water and water power	453	613	Sales of water and water power.
Rent from electric property	454	610	Rent from electric property.
Interdepartmental rents	455	611	Interdepartmental rents.
Other electric revenues	456	615	Miscellaneous electric revenues.
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS			OPERATING EXPENSE ACCOUNTS
1. Power Production Expenses			*1. Production Expenses*
A. Steam Power Generation			*A. Electric Generation—Steam Power*
Operation:			Operation:
Operation supervision and engineering	500	701	Operation supervision and engineering.
Fuel	501	703	Fuel.
Steam expenses	502	702.1	Boiler labor.
		705.1	Lubricants.
		705.2	Station supplies.
		705.3	Station expenses.
Steam from other sources	503	711	Steam from other sources.
Steam transferred—credit	504	712	Steam transferred—credit.
Electric expenses	505	702.2	Prime mover and generator labor.
		702.3	Electric labor.
		704	Water.
		705.1	Lubricants.
		705.2	Station supplies.
		705.3	Station expenses.
Miscellaneous steam power expenses	506	702.4	Miscellaneous station labor.
		705.3	Station expenses.
Rents	507	710	Rents.
Maintenance:			Maintenance:
Maintenance supervision and engineering	510	706	Maintenance supervision and engineering.
Maintenance of structures	511	707	Maintenance of structures and improvements.
Maintenance of boiler plant	512	708.1	Maintenance of coal storage, handling, and weighing equipment.
		708.2	Maintenance of furnaces and boilers.
		708.3	Maintenance of boiler apparatus.
		708.4	Maintenance of steam piping and accessories.
Maintenance of electric plant	513	709.1	Maintenance of prime movers and generators.
		709.2	Maintenance of accessory electric equipment.
Maintenance of miscellaneous steam plant	514	709.3	Maintenance of miscellaneous power plant equipment.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for Public Utilities and Licensees effective Jan. 1, 1937, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1937, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1937		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
OPERATING EXPENSE ACCOUNTS—Continued			OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued
1. Production Expenses—Continued			*1. Power Production Expenses*—Continued
B. Electric Generation—Hydraulic Power			*C. Hydraulic Power Generation*
Operation:			Operation:
Operation supervision and engineering	715	535	Operation supervision and engineering.
Hydraulic labor	716.1	537	Hydraulic expenses.
Prime mover and generator labor	716.2	538	Electric expenses.
Electric labor	716.3	538	Electric expenses.
Miscellaneous station labor	716.4	539	Miscellaneous hydraulic power generation expenses.
Water for power	717	536	Water for power.
Lubricants	718.1	537	Hydraulic expenses.
		538	Electric expenses.
Station supplies	718.2	537	Hydraulic expenses.
		538	Electric expenses
Station expenses	718.3	539	Miscellaneous hydraulic power generation expenses.
Maintenance:			Maintenance:
Maintenance supervision and engineering	719	541	Maintenance supervision and engineering.
Maintenance of structures and improvements	720	542	Maintenance of structures.
Maintenance of reservoirs, dams, and waterways.	721	543	Maintenance of reservoirs, dams, and waterways.
Maintenance of prime movers and generators	722.1	544	Maintenance of electric plant.
Maintenance of accessory electric equipment	722.2	544	Maintenance of electric plant.
Maintenance of miscellaneous power plant equipment.	722.3	545	Maintenance of miscellaneous hydraulic plant.
Maintenance of roads, railroads, and bridges	723	545	Maintenance of miscellaneous hydraulic plant.
Miscellaneous:			
Rents	724	540	Rents.
Joint expenses—debit	725	------	Deleted.
Joint expenses—credit	726	------	Deleted.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1937

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1937	
Account title	No.	No.	Account title
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued			OPERATING EXPENSE ACCOUNTS—Continued
1. Power Production Expenses—Continued			*1. Production Expenses*—Continued
B. Nuclear Power Generation			
Operation:			
Operation supervision and engineering	517	------	New accounts.
Fuel	518		
Coolants and water	519		
Steam expenses	520		
Steam from other sources	521		
Steam transferred—credit	522		
Electric expenses	523		
Miscellaneous nuclear power expenses	524		
Rents	525		
Maintenance:			
Maintenance supervision and engineering	528		
Maintenance of structures	529		
Maintenance of reactor plant equipment	530		
Maintenance of electric plant	531		
Maintenance of miscellaneous nuclear plant	532		
C. Hydraulic Power Generation			*B. Electric Generation—Hydraulic Power*
Operation:			Operation:
Operation supervision and engineering	535	715	Operation supervision and engineering.
Water for power	536	717	Water for power.
Hydraulic expenses	537	716.1	Hydraulic labor.
		718.1	Lubricants.
		718.2	Station supplies.
		718.3	Station expenses.
Electric expenses	538	716.2	Prime mover and generator labor.
		716.3	Electric labor.
		718.1	Lubricants.
		718.2	Station supplies.
		718.3	Station expenses.
Miscellaneous hydraulic power generation expenses.	539	716.4	Miscellaneous station labor.
		718.2	Station supplies.
		718.3	Station expenses.
Rents	540	724	Rents.
Maintenance:			Maintenance:
Maintenance supervision and engineering	541	719	Maintenance supervision and engineering.
Maintenance of structures	542	720	Maintenance of structures and improvements.
Maintenance of reservoirs, dams, and waterways.	543	721	Maintenance of reservoirs, dams, and waterways.
Maintenance of electric plant	544	722.1	Maintenance of prime movers and generators.
		722.2	Maintenance of accessory electric equipment.
		722.3	Maintenance of miscellaneous power plant equipment.
Maintenance of miscellaneous hydraulic plant	545	723	Maintenance of roads, railroads, and bridges.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for Public Utilities and Licensees effective Jan. 1, 1937, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1937, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1937		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
OPERATING EXPENSE ACCOUNTS—Continued			OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued
1. Production Expenses—Continued			*1. Power Production Expenses*—Continued
C. Electric Generation—Internal Combustion Engine Power			*D. Other Power Generation*
Operation:			Operation:
Operation supervision and engineering	727	546	Operation supervision and engineering.
Engine labor	728.1	548	Generation expenses.
Electric labor	728.2	548	Generation expenses.
Miscellaneous station labor	728.3	549	Miscellaneous other power generation expenses.
Engine fuel	729	547	Fuel.
Water	730.1	548	Generation expenses.
Lubricants	730.2		
Station supplies	730.3	549	Miscellaneous other power generation expenses.
Station expenses	730.4		
Maintenance:			Maintenance:
Maintenance supervision and engineering	731	551	Maintenance supervision and engineering.
Maintenance of structures and improvements	732	552	Maintenance of structures.
Maintenance of fuel holders, producers, and accessories.	733	553	Maintenance of generating and electric plant.
Maintenance of engines	734.1	553	Maintenance of generating and electric plant.
Maintenance of generators	734.2	553	Maintenance of generating and electric plant.
Maintenance of accessory electric equipment	734.3	553	Maintenance of generating and electric plant.
Maintenance of miscellaneous power plant equipment.	734.4	554	Maintenance of miscellaneous other power generation plant.
Miscellaneous:			
Rents	735	550	Rents.
Joint expenses—debit	736	--------	Deleted.
Joint expenses—credit	737	--------	Deleted.
D. Other Production Expenses and Credits			*E. Other Power Supply Expenses*
Purchased power	738	555	Purchased power.
Interchange power	739	555	Purchased power.
Other expenses	740	557	Other expenses.
Joint expenses—debit	741	--------	Deleted.
Joint expenses—credit	742	--------	Deleted.
2. Transmission Expenses			*2. Transmission Expenses*
Operation:			Operation:
Operation supervision and engineering	743	560	Operation supervision and engineering.
Load dispatching labor and expenses	744	561	Load dispatching.
Station labor	745.1	562	Station expenses.
Station supplies and expenses	745.2	562	Station expenses.
Overhead lines	746.1	563	Overhead line expenses.
Underground lines	746.2	564	Underground line expenses.
Maintenance:			Maintenance:
Maintenance supervision and engineering	747	568	Maintenance supervision and engineering.
Maintenance of structures and improvements	748	569	Maintenance of structures.
Maintenance of station equipment	749	570	Maintenance of station equipment.
Maintenance of towers and fixtures	750.1	571	Maintenance of overhead lines.
Maintenance of poles and fixtures	750.2	571	Maintenance of overhead lines.
Maintenance of conductors and devices	750.3	571	Maintenance of overhead lines.
Maintenance of conduit	751.1	572	Maintenance of underground lines.
Maintenance of conductors and devices	751.2	572	Maintenance of underground lines.
Maintenance of roads and trails	752	571	Maintenance of overhead lines.
		572	Maintenance of underground lines.
Rents	753	567	Rents.
Joint expenses—debit	754		Deleted.
Joint expenses—credit	755		Deleted.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1937

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1937	
Account title	No.	No.	Account title
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued			OPERATING EXPENSE ACCOUNTS—Continued
1. Power Production Expenses—Continued			*1. Production Expenses*—Continued
D. Other Power Generation			*C. Electric Generation—Internal Combustion Engine Power*
Operation:			Operation:
Operation supervision and engineering	546	727	Operation supervision and engineering.
Fuel	547	729	Engine fuel.
Generation expenses	548	728.1	Engine labor.
		728.2	Electric labor.
		730.1	Water.
		730.2	Lubricants.
		730.3	Station supplies.
		730.4	Station expenses.
Miscellaneous other power generation expenses	549	728.3	Miscellaneous station labor.
		730.3	Station supplies.
		730.4	Station expenses.
Rents	550	735	Rents.
Maintenance:			Maintenance:
Maintenance supervision and engineering	551	731	Maintenance supervision and engineering.
Maintenance of structures	552	732	Maintenance of structures and improvements.
Maintenance of generating and electric plant	553	733	Maintenance of fuel holders, producers, and accessories.
		734.1	Maintenance of engines.
		734.2	Maintenance of generators.
		734.3	Maintenance of accessory electric equipment
Maintenance of miscellaneous other power generation plant.	554	734.4	Maintenance of miscellaneous power plant equipment.
E. Other Power Supply Expenses			*D. Other Production Expenses and Credits*
Purchased power	555	738	Purchased Power.
System control and load dispatching	556	739	Interchange Power.
Other expenses	557	--------	New account.
		740	Other expenses.
2. Transmission Expenses			*2. Transmission Expenses*
Operation:			Operation:
Operation supervision and engineering	560	743	Operation supervision and engineering.
Load dispatching	561	744	Load dispatching labor and expenses.
Station expenses	562	745.1	Station labor.
		745.2	Station supplies and expenses.
Overhead line expenses	563	746.1	Overhead lines.
Underground line expenses	564	746.2	Underground lines.
Transmission of electricity by others	565	--------	New accounts.
Miscellaneous transmission expenses	566		
Rents	567	753	Rents.
Maintenance:			Maintenance:
Maintenance supervision and engineering	568	747	Maintenance supervision and engineering.
Maintenance of structures	569	748	Maintenance of structures and improvements.
Maintenance of station equipment	570	749	Maintenance of station equipment.
Maintenance of overhead lines	571	750.1	Maintenance of towers and fixtures.
		750.2	Maintenance of poles and fixtures.
		750.3	Maintenance of conductors and devices.
		752	Maintenance of roads and trails.
Maintenance of underground lines	572	751.1	Maintenance of conduit.
		751.2	Maintenance of conductors and devices.
		752	Maintenance of roads and trails.
Maintenance of miscellaneous transmission plant.	573	--------	New account.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for Public Utilities and Licensees effective Jan. 1, 1937, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1937, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1937		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
OPERATING EXPENSE ACCOUNTS—Continued			OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued
3. Distribution Expenses			*3. Distribution Expenses*
Operation:			Operation:
Operation supervision and engineering	756	580	Operation supervision and engineering.
Load dispatching labor and expenses	757	581	Load dispatching.
Distribution maps and records	758.1	588	Miscellaneous distribution expenses.
Other distribution office expenses	758.2	588	Miscellaneous distribution expenses.
Station labor	759.1	582	Station expenses.
Station supplies and expenses	759.2	582	Station expenses.
Storage battery labor	760.1	582	Station expenses.
Storage battery supplies and expenses	760.2	582	Station expenses.
Overhead lines	761.1	583	Overhead lines expenses.
Underground lines	761.2	584	Underground line expenses.
Removing and resetting line transformers	761.3	583	Overhead line expenses.
		584	Underground line expenses
Removing and resetting meters	762.1	586	Meter expenses.
Other services on customers' premises	762.2	587	Customer installations expenses.
Overhead systems	763.1	585	Street lighting and signal system expenses.
Underground systems	763.2	585	Street lighting and signal system expenses.
Maintenance:			Maintenance:
Maintenance supervision and engineering	764	590	Maintenance supervision and engineering.
Maintenance of structures and improvements	765	591	Maintenance of structures.
Maintenance of station equipment	766	592	Maintenance of station equipment.
Maintenance of storage battery equipment	767	592	Maintenance of station equipment.
Maintenance of poles, towers, and fixtures	768.1	593	Maintenance of overhead lines.
Maintenance of conductors and devices	768.2	593	Maintenance of overhead lines.
Maintenance of conduit	769.1	594	Maintenance of underground lines.
Maintenance of conductors and devices	769.2	594	Maintenance of underground lines.
Maintenance of line transformers and devices	770	595	Maintenance of line transformers.
Maintenance of services	771	593	Maintenance of overhead lines.
		594	Maintenance of underground lines.
Maintenance of meters	772	597	Maintenance of meters.
Maintenance of installations on customers' premises.	773	598	Maintenance of miscellaneous distribution plant.
Maintenance of leased property on customers' premises.	774	598	Maintenance of miscellaneous distribution plant.
Maintenance of street lighting and signal systems.	775	596	Maintenance of street lighting and signal systems.
Rents	776	589	Rents.
Joint expenses—debit	777	---	Deleted.
Joint expenses—credit	778	---	Deleted.
4. Customers' Accounting and Collecting Expenses			*4. Customer Accounts Expenses*
Supervision	779	901	Supervision.
Customers' contracts and orders	780.1	903	Customer records and collection expenses.
Credit investigations and records	780.2	903	Customer records and collection expenses.
Meter reading	780.3	902	Meter reading expenses.
Collecting	780.4	903	Customer records and collection expenses.
Customers' billing and accounting	781	903	Customer records and collection expenses.
Miscellaneous expenses	782	905	Miscellaneous customer accounts expenses.
Uncollectible accounts	783	904	Uncollectible accounts.
Rents	784	---	Deleted.

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1937

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1937	
Account title	No.	No.	Account title
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued			OPERATING EXPENSE ACCOUNTS—Continued
3. Distribution Expenses			*3. Distribution Expenses*
Operation:			Operation:
Operation supervision and engineering	580	756	Operation supervision and engineering.
Load dispatching	581	757	Load dispatching labor and expenses.
Station expenses	582	759.1	Station labor.
		759.2	Station supplies and expenses.
		760.1	Storage battery labor.
		760.2	Storage battery supplies and expenses.
Overhead line expenses	583	761.1	Overhead lines.
		761.3	Removing and resetting line transformers.
Underground line expenses	584	761.2	Underground lines.
		761.3	Removing and resetting line transformers.
Street lighting and signal system expenses	585	763.1	Overhead systems.
		763.2	Underground systems.
Meter expenses	586	762.1	Removing and resetting meters.
Customer installations expenses	587	762.2	Other services on customers' premises.
Miscellaneous distribution expenses	588	758.1	Distribution maps and records.
		758.2	Other distribution office expenses.
Rents	589	776	Rents.
Maintenance:			Maintenance:
Maintenance supervision and engineering	590	764	Maintenance supervision and engineering.
Maintenance of structures	591	765	Maintenance of structures and improvements.
Maintenance of station equipment	592	766	Maintenance of station equipment.
		767	Maintenance of storage battery equipment.
Maintenance of overhead lines	593	768.1	Maintenance of poles, towers, and fixtures.
		768.2	Maintenance of conductors and devices.
		771	Maintenance of services.
Maintenance of underground lines	594	769.1	Maintenance of conduit.
		769.2	Maintenance of conductors and devices.
		771	Maintenance of services.
Maintenance of line transformers	595	770	Maintenance of line transformers and devices.
Maintenance of street lighting and signal systems.	596	775	Maintenance of street lighting and signal systems.
Maintenance of meters	597	772	Maintenance of meters.
Maintenance of miscellaneous distribution plant.	598	773	Maintenance of installations on customers' premises.
		774	Maintenance of leased property on customers' premises.
4. Customer Accounts Expenses			*4. Customers' Accounting and Collecting Expenses*
Supervision	901	779	Supervision
Meter reading expenses	902	780.3	Meter reading.
Customer records and collection expenses	903	780.1	Customers' contracts and orders.
		780.2	Credit investigations and records.
		780.4	Collecting.
		781	Customers' billing and accounting.
Uncollectible accounts	904	783	Uncollectible accounts.
Miscellaneous customer accounts expenses	905	782	Miscellaneous expenses.

APPENDIX A—*Comparison of the uniform system of accounts prescribed for Public Utilities and Licensees effective Jan. 1, 1937, with the revised system of accounts effective Jan. 1, 1961*—Continued

From the system of accounts effective Jan. 1, 1937, to the system of accounts effective Jan. 1, 1961

System of accounts effective Jan. 1, 1937		System of accounts effective Jan. 1, 1961	
Account title	No.	No.	Account title
OPERATING EXPENSE ACCOUNTS—Continued			OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued
5. Sales Promotion Expenses			*5. Sales Expenses*
Supervision	785	911	Supervision.
Salaries and commissions	786	912	Demonstrating and selling expenses.
Demonstration	787.1	912	Demonstrating and selling expenses.
Advertising	787.2	913	Advertising Expenses.
Miscellaneous sales expenses	787.3	916	Miscellaneous sales expenses.
Rents	788	-------	Deleted.
Revenues from merchandising, jobbing, and contract work.	789.1	914	Revenues from merchandising, jobbing and contract work.
Costs and expenses of merchandising, jobbing, and contract work.	789.2	915	Costs and expenses of merchandising, jobbing and contract work.
6. Administrative and General Expenses			*6. Administrative and General Expenses*
Operation:			Operation:
Salaries of general officers and executives	790	920	Administrative and general salaries.
Other general office salaries	791	920	Administrative and general salaries.
Expenses of general officers	792.1	921	Office supplies and expenses.
Expenses of general office employees	792.2	921	Office supplies and expenses.
General office supplies and expenses	793	921	Office supplies and expenses.
Management and supervision fees and expenses.	794	923	Outside services employed.
Special services	795	923	Outside services employed.
Legal services	796	923	Outside services employed.
Regulatory commission expenses	797	928	Regulatory commission expenses.
Insurance	798	924	Property insurance.
Injuries and damages	799	925	Injuries and damages.
Employees' welfare expenses	800.1	926	Employee pensions and benefits.
Pensions	800.2	926	Employee pensions and benefits.
Miscellaneous general expenses	801	930	Miscellaneous general expenses.
Maintenance of structures and improvements	802.1	932	Maintenance of general plant.
Maintenance of office furniture and equipment	802.2	932	Maintenance of general plant.
Maintenance of communication equipment	802.3	932	Maintenance of general plant.
Maintenance of miscellaneous property	802.4	932	Maintenance of general plant.
Rents	803	931	Rents.
Commissions paid under agency sales contracts	804	-------	Deleted.
Cash outlays	805.1		
Electricity supplied without charge—debit	805.2	927	Franchise requirements.
Other items furnished without charge—debit	805.3		
Duplicate miscellaneous charges—credit	806	929	Duplicate charges—credit.
Administrative and general expenses transferred—credit.	807	-------	(See text of account 922).
Joint expenses—debit	808		
Joint expenses—credit	809		
Charges by associated companies—clearing	901	-------	Deleted.
Stores expenses—clearing	902		
Transportation expenses—clearing	903		
Laboratory expenses—clearing	904	-------	Deleted (see account 184).
Shop expenses—clearing	905		

From the system of accounts effective Jan. 1, 1961, to the system of accounts effective Jan. 1, 1937

System of accounts effective Jan. 1, 1961		System of accounts effective Jan. 1, 1937	
Account title	No.	No.	Account title
OPERATION AND MAINTENANCE EXPENSE ACCOUNTS—Continued			OPERATING EXPENSE ACCOUNTS—Continued
5. Sales Expenses			*5. Sales Promotion Expenses*
Supervision	911	785	Supervision.
Demonstrating and selling expenses	912	786	Salaries and commissions.
		787.1	Demonstration.
Advertising expenses	913	787.2	Advertising.
Revenues from merchandising, jobbing and contract work.	914	789.1	Revenues from merchandising, jobbing and contract work.
Costs and expenses of merchandising, jobbing and contract work.	915	789.2	Costs and expenses of merchandising, jobbing, and contract work.
Miscellaneous sales expenses	916	787.3	Miscellaneous sales expenses.
6. Administrative and General Expenses			*6. Administrative and General Expenses*
Operation:			Operation:
Administrative and general salaries	920	790	Salaries of general officers and executives.
		791	Other general office salaries.
Office supplies and expenses	921	792.1	Expenses of general officers.
		792.2	Expenses of general office employees.
		793	General office supplies and expenses.
Administrative expenses transferred—credit	922	807	Administrative and general expenses transferred—credit. (NOTE.—Account 922 to be credited with amounts transferred from accounts 920 and 921.)
Outside services employed	923	794	Management and supervision fees and expenses.
		795	Special services.
		796	Legal services.
Property insurance	924	798	Insurance.
Injuries and damages	925	799	Injuries and damages.
Employee pensions and benefits	926	800.1	Employees' welfare expenses.
		800.2	Pensions.
Franchise requirements	927	805.1	Cash outlays.
		805.2	Electricity supplied without charge—debit.
		805.3	Other items furnished without charge—debit
Regulatory commission expenses	928	797	Regulatory commission expenses.
Duplicate charges—credit	929	806	Duplicate miscellaneous charges—credit.
Miscellaneous general expenses	930	801	Miscellaneous general expenses.
Rents	931	803	Rents.
Maintenance of general plant	932	802.1	Maintenance of structures and improvements.
		802.2	Maintenance of office furniture and equipment.
		802.3	Maintenance of communication equipment.
		802.4	Maintenance of miscellaneous property.

APPENDIX B

UNIFORM SYSTEM OF ACCOUNTS PRESCRIBED FOR PUBLIC UTILITIES AND LICENSEES SUBJECT TO THE PROVISIONS OF THE FEDERAL POWER ACT

Definitions

When used in this system of accounts:

1. "Accounts" means the accounts prescribed in this system of accounts.

2. "Actually issued," as applied to securities issued or assumed by the utility, means those which have been sold to bona fide purchasers for a valuable consideration, those issued as dividends on stock, and those which have been issued in accordance with contractual requirements direct to trustees of sinking funds.

3. "Actually outstanding," as applied to securities issued or assumed by the utility, means those which have been actually issued and are neither retired nor held by or for the utility; provided, however, that securities held by trustees shall be considered as actually outstanding.

4. "Amortization" means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

5. A. "Associated companies" means companies or persons that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the accounting company.

B. "Control" (including the terms "controlling," "controlled by," and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.

6. "Book cost" means the amount at which property is recorded in these accounts without deduction of related provisions for accrued depreciation, amortization, or for other purposes.

7. "Commission," means the Federal Power Commission.

8. "Cost" means the amount of money actually paid for property or services. When the consideration given is other than cash in a purchase and sale transaction, as distinguished from a transaction involving the issuance of common stock in a merger or a pooling of interest, the value of such consideration shall be determined on a cash basis.

9. "Cost of removal" means the cost of demolishing, dismantling, tearing down or otherwise removing electric plant, including the cost of transportation and handling incidental thereto.

10. "Debt expense" means all expenses in connection with the issuance and initial sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds and certificates of indebtedness; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen for marketing such evidences of debt; fees and expenses of listing on exchanges; and other like costs.

11. "Depreciation," as applied to depreciable electric plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of electric plant in the course of service from causes which are known to be in current operation and against which the ultility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand and requirements of public authorities.

12. "Discount," as applied to the securities issued or assumed by the utility, means the excess of the par (stated value of no-par stocks) or face value of the securities plus interest or dividends accrued at the date of the sale over the cash value of the consideration received from their sale.

13. "Investment advances" means advances, represented by notes or by book accounts only, with respect to which it is mutually agreed or intended between the creditor and debtor that they shall be settled by the issuance of securities or shall not be subject to current settlement.

14. "Licensee" means any person, or State, licensed under the provisions of the Federal Power Act and subject to the Commission's accounting requirements under the terms of the license.

15. "Minor items of property" means the associated parts or items of which retirement units are composed.

16. "Net salvage value" means the salvage value of property retired less the cost of removal.

17. "Nominally issued," as applied to securities issued or assumed by the utility, means those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the utility, but which have not been sold, or issued direct to trustees of sinking funds in accordance with contractual requirements.

18. "Nominally outstanding," as applied to securities issued or assumed by the utility, means those which, after being actually issued, have been reacquired by or for the utility under circumstances which require them to be considered as held alive and not retired, provided, however, that securities held by trustees shall be considered as actually outstanding.

19. "Nonproject property" means the electric plant of a licensee which is not a part of the project property subject to a license issued by the Commission.

20. "Original cost," as applied to electric plant, means the cost of such property to the person first devoting it to public service.

21. "Person" means an individual, a corporation, a partnership, an association, a joint stock company, a business trust, or any organized group of persons, whether incorporated or not, or any receiver or trustee.

22. "Premium," as applied to securities issued or assumed by the utility, means the excess of the cash value of the consideration received from their sale over the sum of their par (stated value of no-par stocks) or face value and interest or dividends accrued at the date of sale.

23. "Project" means complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights of way, ditches, dams, reservoirs, lands, or interest in lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit.

24. "Project property" means the property described in and subject to a license issued by the Commission.

25. "Property retired," as applied to electric plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been withdrawn from service.

26. "Public utility" means any person who owns or operates facilities subject to the jurisdiction of the Commission under the Federal Power Act. (See section 201(e) of said act.)

27. "Replacing" or "replacement," when not otherwise indicated in the context, means the construction or installation of electric plant in place of property retired, together with the removal of the property retired.

28. "Retirement units" means those items of electric plant which, when retired, with or without replacement, are accounted for by crediting the book cost thereof to the electric plant account in which included.

29. "Salvage value" means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale; or, if retained, the amount at which the material recoverable is chargeable to materials and supplies, or other appropriate account.

30. "Service life" means the time between the date electric plant is includible in electric plant in service, or electric plant leased to others, and the date of its retirement. If depreciation is accounted for on a production basis rather than on a time basis, then service life should be measured in terms of the appropriate unit of production.

31. "Service value" means the difference between original cost and net salvage value of electric plant.

32. "State" means a State admitted to the Union, the District of Columbia, and any organized Territory of the United States.

33. "Utility," as used herein and when not otherwise indicated in the context, means any public utility or licensee to which this system of accounts is applicable.

General Instructions

1. *Classification of Utilities.*

A. For the purpose of applying systems of accounts prescribed by the Commission, electric utilities and licensees are divided into four classes, as follows:

Class A. Utilities having annual electric operating revenues of $2,500,000 or more.

Class B. Utilities having annual electric operating revenues of $1,000,000 or more but less than $2,500,000.

Class C. Utilities having annual electric operating revenues of $150,000 or more but less than $1,000,000.

Class D. Utilities having annual electric operating revenues of $25,000 or more but less than $150,000.

B. This system of accounts applies to Class A and Class B utilities. Those applicable to Class C and Class D utilities are issued separately.

C. The class to which any utility belongs shall originally be determined by the average of its annual electric operating revenues for the last three consecutive years. Subsequent changes in classification shall be made when the annual electric operating revenues for each of the three immediately preceding years shall exceed the upper limit, or be less than the lower limit, of the annual electric operating revenues of the classification previously applicable to the utility.

D. Any utility may, at its option, adopt the system of accounts prescribed by the Commission for any larger class of utilities.

2. *Records.*

A. Each utility shall keep its books of account, and all other books, records, and memoranda which support the entries in such books of account so as to be able to furnish readily full information as to any item included in any account. Each entry shall be supported by such detailed information as will permit ready identification, analysis, and verification of all facts relevant thereto.

B. The books and records referred to herein include not only accounting records in a limited technical sense, but all other records, such as minute books, stock books, reports, correspondence, memoranda, etc., which may be useful in developing the history of or facts regarding any transaction.

C. No utility shall destroy any such books or records unless the destruction thereof is permitted by rules and regulations of the Commission.

D. In addition to prescribed accounts, clearing accounts, temporary or experimental accounts, and subdivisions of any accounts, may be kept, provided the integrity of the prescribed accounts is not impaired.

E. All amounts included in the accounts prescribed herein for electric plant and operating expenses shall be just and reasonable and any payments or accruals by the utility in excess of just and reasonable charges shall be included in account 426, Other Income Deductions.

F. The arrangement or sequence of the accounts prescribed herein shall not be controlling as to the arrangement or sequence in report forms which may be prescribed by the Commission.

3. *Numbering System.*

A. The account numbering plan used herein consists of a system of three-digit whole numbers as follows:

100–199	Assets and other debits.
200–299	Liabilities and other credits.
300–399	Plant accounts.
400–439	Income accounts.
440–459	Revenue accounts.
500–599	Production, transmission and distribution expenses.
900–949	Customer accounts, sales and general administrative expenses.

B. In certain instances, numbers have been skipped in order to allow for possible later expansion or to permit better coordination with the numbering system for other utility departments.

C. The numbers prefixed to account titles are to be considered as parts of the titles. Each utility, however, may adopt for its own purposes a different system of account numbers (see also general instruction 2D) provided that the numbers herein prescribed shall appear in the descriptive headings of the ledger accounts and in the various sources of original entry; however, if a utility uses a different group of account numbers and it is not practicable to show the prescribed account numbers in the various sources of original entry, such reference to the prescribed account numbers may be omitted from the various sources of original entry. Moreover, each utility using different account numbers for its own purposes shall keep readily available a list of such account numbers which it uses and a reconciliation of such account numbers with the account numbers provided herein. It is intended that the utility's records shall be so kept as to permit ready analysis by prescribed accounts (by direct reference to sources of original entry to the extent practicable) and to permit preparation of financial and operating statements directly from such records at the end of each accounting period according to the prescribed accounts.

4. *Accounting Period.*

Each utility shall keep its books on a monthly basis so that for each month all transactions applicable thereto, as nearly as may be ascertained, shall be entered in the books of the utility. Amounts applicable or assignable to specific utility departments shall be so segregated monthly. Each utility shall close its books at the end of each calendar year unless otherwise authorized by the Commission.

5. *Submittal of Questions.*

To maintain uniformity of accounting, utilities shall submit questions of doubtful interpretation to the Commission for consideration and decision.

6. *Item Lists.*

Lists of "items" appearing in the texts of the accounts or elsewhere herein are for the purpose of more clearly indicating the application of the prescribed accounting. The lists are intended to be representative, but not exhaustive. The appearance of an item in a list warrants the inclusion of the item in the account mentioned only when the text of the account also indicates inclusion inasmuch as the same item frequently appears in more than one list. The proper entry in each instance must be determined by the texts of the accounts.

7. *Delayed Items.*

Items relating to transactions which occurred prior to the current calendar year but which were not recorded in the books of account shall be included in the same accounts which would have been charged or credited if the items had not been delayed; provided, that when the amount of a delayed item is relatively so large that its inclusion in the accounts for a single month would seriously distort the accounts, it may be distributed in equal amounts to the accounts for the current and remaining months of the calendar year; and provided further, that, if the amount of any delayed item is relatively so large that its inclusion in the accounts for a single year would seriously distort the accounts, the amount shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus, unless the Commission shall prescribe otherwise in specific instances.

8. *Unaudited Items.*

Whenever a financial statement is required by the Commission, if it is known that a transaction has occurred which affects the accounts but the amount involved in the transaction and its effect upon the accounts cannot be determined with absolute accuracy, the amount shall be estimated and such estimated amount included in the proper accounts. The utility is not required to anticipate minor items which would not appreciably affect the accounts.

9. *Distribution of Pay and Expenses of Employees.*

The charges to electric plant, operating expense and other accounts for services and expenses of employees engaged in activities chargeable to various accounts, such as construction, maintenance, and operations, shall be based upon the actual time engaged in the respective classes of work, or in case that method is impracticable, upon the basis of a study of the time actually engaged during a representative period.

10. *Payroll Distribution.*

Underlying accounting data shall be maintained so that the distribution of the cost of labor charged direct to the various accounts will be readily available. Such underlying data shall permit a reasonably accurate distribution to be made of the cost of labor charged initially to clearing accounts so that the total labor cost may be classified among construction, cost of removal, electric operating functions (steam generation, nuclear generation, hydraulic generation, transmission, distribution, etc.) and nonutility operations.

11. *Operating Reserves.*

Accretions to operating reserve accounts made by charges to operating expenses shall not exceed a reasonable provision for the expense. Material balances in such reserve accounts shall not be diverted from the purpose for which provided unless the permission of the Commission is first obtained.

12. *Records for Each Plant.*

Separate records shall be maintained by electric plant accounts of the book cost of each plant owned, including additions by the utility to plant leased from others, and of the cost of operating and maintaining each plant owned or operated. The term "plant" as here used means each generating station and each transmission line or appropriate group of transmission lines.

13. *Accounting for Other Departments.*

If the utility also operates other utility departments, such as gas, water, etc., it shall keep such accounts for the other departments as may be prescribed by proper authority and in the absence of prescribed accounts, it shall keep such accounts as are proper or necessary to reflect the results of operating each such department. It is not intended that proprietary and similar accounts which apply to the utility as a whole shall be departmentalized.

14. *Transactions With Associated Companies.*

Each utility shall keep its accounts and records so as to be able to furnish accurately and expeditiously statements of all transactions with associated companies. The statements may be required to show the general nature of the transactions, the amounts involved therein and the amounts included in each account prescribed herein with respect to such transactions. Transactions with associated companies shall be recorded in the appropriate accounts for transactions of the same nature. Nothing herein contained, however, shall be construed as restraining the utility from subdividing accounts for the purpose of recording separately transactions with associated companies.

15. *Contingent Assets and Liabilities.*

Contingent assets represent a possible source of value to the utility contingent upon the fulfillment of conditions regarded as uncertain. Contingent liabilities include items which may under certain conditions become obligations of the utility but which are neither direct nor assumed liabilities at the date of the balance sheet. The utility shall be prepared to give a complete statement of significant contingent assets and liabilities (including cumulative dividends on preference stock) in its annual report and at such other times as may be requested by the Commission.

16. *Separate Accounts or Records for Each Licensed Project.*

The accounts or records of each licensee shall be so kept as to show for each project under license:

(a) the actual legitimate original cost of the project, including the original cost (or fair value as determined under section 23 of the Federal Power Act) of the original project, the original cost of additions thereto and betterments thereof, credits for property retired from service, and credits for related contributions in aid of construction, as determined under the Commission's regulations;

(b) the charges for operation and maintenance of the project property directly assignable to the project;

(c) the credits and debits to the depreciation reserve account, and the balance in such account;

(d) the credits and debits to operating revenue, income, and surplus accounts that can be identified with and directly assigned to the project.

NOTE: The purpose of this instruction is to insure that accounts or records are currently maintained by each licensee from which reports may be made to the Commission for use in determining the net investment in each licensed project. The instruction covers only the debit and credit items appearing in the licensee's accounts which may be identified with and assigned directly to any licensed project. In the determination of the net investment as defined in section 3 of the Federal Power Act, allocations of items affecting the net investment may be required where direct assignment is not practicable.

Electric Plant Instructions

1. *Classification of Electric Plant at Effective Date of System of Accounts.*

A. The electric plant accounts provided herein are the same as those contained in the prior system of accounts except for inclusion of accounts for nuclear production plant and some changes in classification in the general equipment accounts. Except for these changes, the balances in the various plant accounts, as determined under the prior system of accounts, should be carried forward. Any remaining balance of plant which has not yet been classified, pursuant to the requirements of the prior system, shall be classified in accordance with the following instructions.

B. The cost to the utility of its unclassified plant shall be ascertained by analysis of the utility's records. Adjustments shall not be made to record in utility plant accounts amounts previously charged to operating expenses or to income deductions in accordance with the uniform system of accounts in effect at the time or in accordance with the discretion of management as exercised under a uniform system of accounts, or under accounting practices previously followed.

C. The detailed electric plant accounts (301 to 399, inclusive) shall be stated on the basis of cost to the utility of plant constructed by it and the original cost, estimated if not known, of plant acquired as an operating unit or system. The difference between the original cost, as above, and the cost to the utility of electric plant after giving effect to any accumulated provision for depreciation or amortization and contributions in aid of construction applicable to the property acquired if recorded by the accounting utility at the time of acquisition, shall be recorded in account 114, Electric Plant Acquisition Adjustments. The original cost of electric plant shall be determined by analysis of the utility's records or those of predecessor or vendor companies with respect to electric plant previously acquired as operating units or systems and the difference between the original cost so determined, less accumulated provisions for depreciation and amortization and contributions in aid of construction if recorded by the accounting utility, and the cost to the utility, with necessary adjustments for retirements from date of acquisition, shall be entered in account 114, Electric Plant Acquisition Adjustments. Any difference between the cost of electric plant and its book cost, when not properly includible in other accounts, shall be recorded in account 116, Other Electric Plant Adjustments.

2. *Electric Plant To Be Recorded at Cost.*

A. All amounts included in the accounts for electric plant acquired as an operating unit or system, except as otherwise provided in the texts of the intangible plant accounts, shall be stated at the cost incurred by the person who first devoted the property to utility service. All other electric plant shall be included in the accounts at the cost incurred by the utility. Where the term "cost" is used in the detailed plant accounts, it shall have the meaning stated in this paragraph.

B. When the consideration given for property is other than cash, the value of such consideration shall be determined on a cash basis (see, however, definition 8). In the entry recording such transition, the actual consideration shall be described with sufficient particularity to identify it. The utility shall be prepared to furnish the Commission the particulars of its determination of the cash value of the consideration if other than cash.

C. When property is purchased under a plan involving deferred payments, no charge shall be made to the electric plant accounts for interest, insurance, or other expenditures occasioned solely by such form of payment.

D. Electric plant contributed to the utility or constructed by it from contributions to it of cash or its equivalent shall be charged to the electric plant accounts at cost of construction, estimated if not known. There shall be credited to the accounts for accumulated depreciation and amortization the estimated amount of depreciation and amortization applicable to the property at the time of its contribution to the utility. The difference between the amounts included in the electric plant accounts and the accumulated depreciation and amortization shall be credited to account 271, Contributions in Aid of Construction.

3. *Components of Construction Cost.*

The cost of construction properly includible in the electric plant accounts shall include, where applicable, the direct and overhead costs as listed and defined hereunder:

(1) "Contract work" includes amounts paid for work performed under contract by other companies, firms, or individuals, costs incident to the award of such contracts, and the inspection of such work.

(2) "Labor" includes the pay and expenses of employees of the utility engaged on construction work, and related workmen's compensation insurance, pay-

roll taxes and similar items of expense. It does not include the pay and expenses of employees which are distributed to construction through clearing accounts nor the pay and expenses included in other items hereunder.

(3) "Materials and supplies" includes the purchase price at the point of free delivery plus customs duties, excise taxes, the cost of inspection, loading and transportation, the related stores expenses, and the cost of fabricated materials from the utility's shop. In determining the cost of materials and supplies used for construction, proper allowance shall be made for unused materials and supplies, for materials recovered from temporary structures used in performing the work involved, and for discounts allowed and realized in the purchase of materials and supplies.

NOTE: The cost of individual items of equipment of small value (for example, $50 or less) or of short life, including small portable tools and implements, shall not be charged to utility plant accounts unless the correctness of the accounting therefor is verified by current inventories. The cost shall be charged to the appropriate operating expense or clearing accounts, according to the use of such items, or, if such items are consumed directly in construction work, the cost shall be included as part of the cost of the construction.

(4) "Transportation" includes the cost of transporting employees, materials and supplies, tools, purchased equipment, and other work equipment (when not under own power) to and from points of construction. It includes amounts paid to others as well as the cost of operating the utility's own transportation equipment. (See item 5 following.)

(5) "Special machine service" includes the cost of labor (optional), materials and supplies, depreciation, and other expenses incurred in the maintenance, operation and use of special machines, such as steam shovels, pile drivers, derricks, ditchers, scrapers, material unloaders, and other labor saving machines; also expenditures for rental, maintenance and operation of machines of others. It does not include the cost of small tools and other individual items of small value or short life which are included in the cost of materials and supplies. (See item 3, above.) When a particular construction job requires the use for an extended period of time of special machines, transportation or other equipment, the net book cost thereof, less the appraised or salvage value at time of release from the job, shall be included in the cost of construction.

(6) "Shop service" includes the proportion of the expense of the utility's shop department assignable to construction work except that the cost of fabricated materials from the utility's shop shall be included in "materials and supplies."

(7) "Protection" includes the cost of protecting the utility's property from fire or other casualties and the cost of preventing damages to others, or to the property of others, including payments for discovery or extinguishment of fires, cost of apprehending and prosecuting incendiaries, witness fees in relation thereto, amounts paid to municipalities and others for fire protection, and other analogous items of expenditures in connection with construction work.

(8) "Injuries and damages" includes expenditures or losses in connection with construction work on account of injuries to persons and damages to the property of others; also the cost of investigation of and defense against actions for such injuries and damages. Insurance recovered or recoverable on account of compensation paid for injuries to persons incident to construction shall be credited to the account or accounts to which such compensation is charged. Insurance recovered or recoverable on account of property damages incident to construction shall be credited to the account or accounts charged with the cost of the damages.

(9) "Privileges and permits" includes payments for and expenses incurred in securing temporary privileges, permits or rights in connection with construction work, such as for the use of private or public property, streets, or highways, but it does not include rents, or amounts chargeable as franchises and consents for which see account 302, Franchises and Consents.

(10) "Rents" includes amounts paid for the use of construction quarters and office space occupied by construction forces and amounts properly includible in construction costs for such facilities jointly used.

(11) "Engineering and supervision" includes the portion of the pay and expenses of engineers, surveyors, draftsmen, inspectors, superintendents and their assistants applicable to construction work.

(12) "General administration capitalized" includes the portion of the pay and expenses of the general officers and administrative and general expenses applicable to construction work.

(13) "Engineering services" includes amounts paid to other companies, firms, or individuals engaged by the utility to plan, design, prepare estimates, supervise, inspect, or give general advice and assistance in connection with construction work.

(14) "Insurance" includes premiums paid or amounts provided or reserved as self-insurance for the protection against loss and damages in connection with construction, by fire or other casualty, injuries to or death of persons other than employees, damages to property of others, defalcation of employees and agents, and the nonperformance of contractual obligations of others. It does not include workmen's compensation or similar insurance on employees included as "labor" in item 2, above.

(15) "Law expenditures" includes the general law expenditures incurred in connection with construction and the court and legal costs directly related thereto, other than law expenses included in protection, item 7, and in injuries and damages, item 8.

(16) "Taxes" includes taxes on physical property (including land) during the period of construction and other taxes properly includible in construction costs before the facilities become available for service.

(17) "Interest during construction" includes the net cost for the period of construction of borrowed funds used for construction purposes and a reasonable rate on other funds when so used. No interest charges shall be included in these accounts upon expenditures for construction projects which have been abandoned.

NOTE: When a part only of a plant or project is placed in operation or is completed and ready for service but the construction work as a whole is incomplete, that part of the cost of the property placed in operation, or ready for service, shall be treated as "Electric Plant in Service" and interest thereon as a charge to construction shall cease. Interest on that part of the cost of the plant which is incomplete may be continued as a charge to construction until such time as it is placed in operation or is ready for service, except as limited in item 17, above.

(18) "Earnings and expenses during construction." The earnings and expenses during construction shall constitute a component of construction costs.

(a) The earnings shall include revenues received or earned for power produced by generating plants during the construction period and sold or used by the utility. Where such power is sold to an independent purchaser before intermingling with power generated by other plants, the credit shall consist of the selling price of the energy. Where the power generated by a plant under construction is delivered to the utility's electric system for distribution and sale, or is delivered to an associated company, or is delivered to and used by the utility for purposes other than distribution and sale (for manufacturing or industrial use, for example), the credit shall be the fair value of the energy so delivered. The revenues shall also include rentals for lands, buildings, etc., and miscellaneous receipts not properly includible in other accounts.

(b) The expenses shall consist of the cost of operating the power plant, and other costs incident to the production and delivery of the power for which construction is credited under paragraph (a), above, including the cost of repairs and other expenses of operating and maintaining lands, buildings, and other property, and other miscellaneous and like expenses not properly includible in other accounts.

4. *Overhead Construction Costs.*

A. All overhead construction costs, such as engineering, supervision, general office salaries and expenses, construction engineering and supervision by others than the accounting utility, law expenses, insurance, injuries and damages, relief and pensions, taxes and interest, shall be charged to particular jobs or units on the basis of the amounts of such overheads reasonably applicable thereto, to the end that each job or unit shall bear its equitable proportion of such costs and that the entire cost of the unit, both direct and overhead, shall be deducted from the plant accounts at the time the property is retired.

B. As far as practicable, the determination of pay roll charges includible in construction overheads shall be based on time card distributions thereof. Where

this procedure is impractical, special studies shall be made periodically of the time of supervisory employees devoted to construction activities to the end that only such overhead costs as have a definite relation to construction shall be capitalized. The addition to direct construction costs of arbitrary percentages or amounts to cover assumed overhead costs is not permitted.

C. The records supporting the entries for overhead construction costs shall be so kept as to show the total amount of each overhead for each year, the nature and amount of each overhead expenditure charged to each construction work order and to each electric plant account, and the bases of distribution of such costs.

5. *Electric Plant Purchased or Sold.*

A. When electric plant constituting an operating unit or system is acquired by purchase, merger, consolidation, liquidation, or otherwise, after the effective date of this system of accounts, the costs of acquisition, including expenses incidental thereto properly includible in electric plant, shall be charged to account 102, Electric Plant Purchased or Sold.

B. The accounting for the acquisition shall then be completed as follows:

(1) The original cost of plant, estimated if not known, shall be credited to account 102, Electric Plant Purchased or Sold, and concurrently charged to the appropriate electric plant in service accounts and to account 104, Electric Plant Leased to Others, account 105, Electric Plant Held for Future Use, and account 107, Construction Work in Progress—Electric, as appropriate.

(2) The depreciation and amortization applicable to the original cost of the properties purchased shall be charged to account 102, Electric Plant Purchased or Sold, and concurrently credited to the appropriate account for accumulated provision for depreciation or amortization.

(3) The cost to the utility of any property includible in account 121, Nonutility Property, shall be transferred thereto.

(4) The amount of contributions in aid of construction applicable to the property acquired, shall be charged to account 102, Electric Plant Purchased or Sold, and concurrently credited to account 271, Contributions in Aid of Construction, unless otherwise authorized by the Commission.

(5) The amount remaining in account 102, Electric Plant Purchased or Sold, shall then be closed to account 114, Electric Plant Acquisition Adjustments.

C. If property acquired in the purchase of an operating unit or system is in such physical condition when acquired that it is necessary substantially to rehabilitate it in order to bring the property up to the standards of the utility, the cost of such work, except replacements, shall be accounted for as a part of the purchase price of the property.

D. When any property acquired as an operating unit or system includes duplicate or other plant which will be retired by the accounting utility in the reconstruction of the acquired property or its consolidation with previously owned property, the proposed accounting for such property shall be presented to the Commission.

E. In connection with the acquisition of electric plant constituting an operating unit or system, the utility shall procure, if possible, all existing records relating to the property acquired, or certified copies thereof, and shall preserve such records in conformity with regulations or practices governing the preservation of records of its own construction.

F. When electric plant constituting an operating unit or system is sold, conveyed, or transferred to another by sale, merger, consolidation, or otherwise, the book cost of the property sold or transferred to another shall be credited to the appropriate utility plant accounts, including amounts carried in account 114, Electric Plant Acquisition Adjustments, and the amounts (estimated if not known) carried with respect thereto in the accounts for accumulated provision for depreciation and amortization and in account 252, Customer Advances for Construction, and account 271, Contributions in Aid of Construction, shall be charged to such accounts and the contra entries made to account 102, Electric Plant Purchased or Sold. Unless otherwise ordered by the Commission, the difference, if any, between (a) the net amount of debits and credits and (b) the consideration received for the property (less commissions and other expenses of making the sale) shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus. (See account 102, Electric Plant Purchased or Sold.)

NOTE: In cases where existing utilities merge or consolidate because of financial or operating reasons or statutory requirements rather than as a means of transferring title of purchased properties to a new owner, the accounts of the constituent utilities, with the approval of the Commission, may be combined. In the event original cost has not been determined, the resulting utility shall proceed to determine such cost as outlined herein.

6. *Expenditures on Leased Property.*

A. The cost of substantial initial improvements (including repairs, rearrangements, additions, and betterments) made in the course of preparing for utility service property leased for a period of more than one year, and the cost of subsequent substantial additions, replacements, or betterments to such property, shall be charged to the electric plant account appropriate for the class of property leased. If the service life of the improvements is terminable by action of the lease, the cost, less net salvage, of the improvements shall be spread over the life of the lease by charges to account 404, Amortization of Limited-Term Electric Plant. However, if the service life is not terminated by action of the lease but by depreciation proper, the cost of the improvements, less net salvage, shall be accounted for as depreciable plant.

B. If improvements made to property leased for a period of more than one year are of relatively minor cost, or if the lease is for a period of not more than one year, the cost of the improvements shall be charged to the account in which the rent is included, either directly or by amortization thereof.

7. *Land and Land Rights.*

A. The accounts for land and land rights shall include the cost of land owned in fee by the utility and rights, interests, and privileges held by the utility in land owned by others, such as leaseholds, easements, water and water power rights, diversion rights, submersion rights, rights of way, and other like interests in land.

B. Where special assessments for public improvements provide for deferred payments, the full amount of the assessments shall be charged to the appropriate land account and the unpaid balance shall be carried in an appropriate liability account. Interest on unpaid balances shall be charged to the appropriate interest account. If any part of the cost of public improvements is included in the general tax levy, the amount thereof shall be charged to the appropriate tax account.

C. The net profit from the sale of timber, cord wood, or other property acquired with rights of way or other lands shall be credited to the appropriate land and land rights or clearing land account. Where land is held for a considerable period of time and timber on the land at the time of purchase increases in value, the net profit (after giving effect to the cost of the timber) from the sales of timber or its products shall be credited to account 421, Miscellaneous Nonoperating Income.

D. Separate entries shall be made for the acquisition, transfer, or retirement of each parcel of land, and each land right (except rights of way for distribution lines), or water right, having a life of more than one year. A record shall be maintained showing the nature of ownership, full legal description, area, map reference, purpose for which used, city, county, and tax district on which situated, from whom purchased or to whom sold, payment given or received, other costs, contract date and number, date of recording of deed, and book and page of record. Entries transferring or retiring land or land rights shall refer to the original entry recording its acquisition.

E. Any difference between the amount received from the sale of land or land rights, less agents' commissions and other costs incident to the sale, and the book cost of such land or rights, shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus, as appropriate, unless a reserve therefor has been authorized and provided. Appropriate adjustments of the accounts shall be made with respect to any structures or improvements located on land sold.

F. The cost of buildings and other improvements (other than public improvements) shall not be included in the land accounts. If at the time of acquisition of an interest in land such interest extends to buildings or other improvements (other than public improvements), which are then devoted to utility operations, the land and improvements shall be separately appraised and the cost al-

located to land and buildings or improvements on the basis of the appraisals. If the improvements are removed or wrecked without being used in operations, the cost of removing or wrecking shall be charged and the salvage credited to the account in which the cost of the land is recorded.

G. When the purchase of land for electric operations requires the purchase of more land than needed for such purposes, the charge to the specific land account shall be based upon the cost of the land purchased, less the fair market value of that portion of the land which is not to be used in utility operations. The portion of the cost measured by the fair market value of the land not to be used shall be included in account 105, Electric Plant Held for Future Use, or account 121, Nonutility Property, as appropriate.

H. Provisions shall be made for amortizing amounts carried in the accounts for limited-term interests in land so as to apportion equitably the cost of each interest over the life thereof. (See account 111, Accumulated Provision for Amortization of Electric Plant in Service, and account 404, Amortization of Limited-Term Electric Plant.)

I. The items of cost to be included in the accounts for land and land rights are as follows:

1. Bulkheads, buried, not requiring maintenance or replacement.
2. Cost, first, of acquisition including mortgages and other liens assumed (but not subsequent interest thereon).
3. Clearing (first cost) the land of brush, trees, and debris, except in the case of account 332, Reservoirs, Dams and Waterways, and account 351 (Transmission Plant), Clearing Land and Rights of Way.
4. Condemnation proceedings, including court and counsel costs.
5. Consents and abutting damages, payment for.
6. Conveyancers' and notaries' fees.
7. Fees, commissions, and salaries to brokers, agents and others in connection with the acquisition of the land or land rights.
8. Grading the land, except when directly occasioned by the building of a structure.
9. Leases, cost of voiding upon purchase to secure possession of land.
10. Removing, relocating, or reconstructing, property of others, such as buildings, highways, railroads, bridges, cemeteries, churches, telephone and power lines, etc., in order to acquire quiet possession.
11. Retaining walls unless identified with structures.
12. Special assessments levied by public authorities for public improvements on the basis of benefits for new roads, new bridges, new sewers, new curbing, new pavements, and other public improvements, but not taxes levied to provide for the maintenance of such improvements.
13. Surveys in connection with the acquisition, but not amounts paid for topographical surveys and maps where such costs are attributable to structures or plant equipment erected or to be erected or installed on such land.
14. Taxes assumed, accrued to date of transfer of title.
15. Title, examining, clearing, insuring, and registering in connection with the acquisition and defending against claims relating to the period prior to the acquisition.
16. Appraisals prior to closing title.
17. Cost of dealing with distributees or legatees residing outside of the state or county, such as recording power of attorney, recording will or exemplification of will, recording satisfaction of state tax.
18. Filing satisfaction of mortgage.
19. Documentary stamps.
20. Photographs of property at acquisition.
21. Fees and expenses incurred in the acquisition of water rights and grants.
22. Cost of fill to extend bulkhead line over land under water, where riparian rights are held, which is not occasioned by the erection of a structure.
23. Sidewalks and curbs constructed by the utility on public property.
24. Labor and expenses in connection with securing rights of way, where performed by company employees and company agents.

8. *Structures and Improvements.*

A. The accounts for structures and improvements shall include the cost of all buildings and facilities to house, support, or safeguard property or persons, including all fixtures permanently attached to and made a part of buildings and which cannot be removed therefrom without cutting into the walls, ceilings, or floors, or without in some way impairing the buildings, and improvements of a permanent character on or to land.

B. The cost of specially provided foundations not intended to outlast the machinery or apparatus for which provided, and the cost of angle irons, castings, etc., installed at the base of an item of equipment, shall be charged to the same account as the cost of the machinery, apparatus, or equipment.

C. Minor buildings and structures, such as valve towers, patrolmen's towers, telephone stations, etc., which are used directly in connection with or form a part of a reservoir, dam, waterway, etc., shall be considered a part of the facility in connection with which constructed or operated and the cost thereof accounted for accordingly.

D. Where furnaces and boilers are used primarily for furnishing steam for some particular department and only incidentally for furnishing steam for heating a building and operating the equipment therein, the entire cost of such furnaces and boilers shall be charged to the appropriate plant account, and no part to the building account.

E. Where the structure of a dam forms also the foundation of the power plant building, such foundation shall be considered a part of the dam.

F. The cost of disposing of materials excavated in connection with construction of structures shall be considered as a part of the cost of such work, except as follows: (a) When such material is used for filling, the cost of loading, hauling, and dumping shall be equitably apportioned between the work in connection with which the removal occurs and the work in connection with which the material is used; (b) When such material is sold, the net amount realized from such sales shall be credited to the work in connection with which the removal occurs. If the amount realized from the sale of excavated materials exceeds the removal costs and the costs in connection with the sale, the excess shall be credited to the land account in which the site is carried.

G. Lighting or other fixtures temporarily attached to buildings for purposes of display or demonstration shall not be included in the cost of the building but in the appropriate equipment account.

H. The items of cost to be included in the accounts for structures and improvements are as follows:

1. Architects' plans and specifications including supervision.
2. Ash pits (when located within the building).
3. Athletic field structures and improvements.
4. Boilers, furnaces, piping, wiring, fixtures, and machinery for heating, lighting, signaling, ventilating, and air conditioning systems, plumbing, vacuum cleaning systems, incinerator and smoke pipe, flues, etc.
5. Bulkheads, including dredging, riprap fill, piling, decking, concrete, fenders, etc., when exposed and subject to maintenance and replacement.
6. Chimneys.
7. Coal bins and bunkers.
8. Commissions and fees to brokers, agents, architects and others.
9. Conduit (not to be removed) with its contents.
10. Damages to abutting property during construction.
11. Docks.
12. Door checks and door stops.
13. Drainage and sewerage systems.
14. Elevators, cranes, hoists, etc., and the machinery for operating them.
15. Excavation, including shoring, bracing, bridging, refill and disposal of excess excavated material, cofferdams around foundation, pumping water from cofferdams during construction, and test borings.
16. Fences and fence curbs (not including protective fences isolating items of equipment, which shall be charged to the appropriate equipment account).
17. Fire protection systems when forming a part of a structure.
18. Flagpole.
19. Floor covering (permanently attached).
20. Foundations and piers for machinery, constructed as a permanent part of a building or other item listed herein.
21. Grading and clearing when directly occasioned by the building of a structure.
22. Intrasite communication system, poles, pole fixtures, wires and cables.
23. Landscaping, lawns, shrubbery, etc.
24. Leases, voiding upon purchase to secure possession of structures.
25. Leased property, expenditures on.
26. Lighting fixtures and outside lighting system.
27. Mailchutes when part of a building.
28. Marquee, permanently attached to building.
29. Painting, first cost.
30. Permanent paving, concrete, brick, flagstone, asphalt, etc., within the property lines.
31. Partitions, including movable.
32. Permits and privileges.
33. Platforms, railings and gratings when constructed as a part of a structure.
34. Power boards for services to a building.
35. Refrigerating systems for general use.
36. Retaining walls except when identified with land.
37. Roadways, railroads, bridges, and trestles intrasite except railroads provided for in equipment accounts.
38. Roofs.
39. Scales, connected to and forming a part of a structure.
40. Screens.
41. Sewer systems, for general use.
42. Sidewalks, culverts, curbs and streets constructed by the utility on its property.
43. Sprinkling systems.
44. Sump pumps and pits.
45. Stacks—brick, steel, or concrete, when set on foundation forming part of general foundation and steelwork of a building.
46. Steel inspection during construction.

47. Storage facilities constituting a part of a building.
48. Storm doors and windows.
49. Subways, areaways, and tunnels, directly connected to and forming part of a structure.
50. Tanks, constructed as part of a building or as a distinct structural unit.
51. Temporary heating during construction (net cost).
52. Temporary water connection during construction (net cost).
53. Temporary shanties and other facilities used during construction (net cost).
54. Topographical maps.
55. Tunnels, intake and discharge, when constructed as part of a structure, including sluice gates, and those constructed to house mains.
56. Vaults constructed as part of a building.
57. Watchmen's sheds and clock systems (net cost when used during construction only).
58. Water basins or reservoirs.
59. Water front improvements.
60. Water meters and supply system for a building or for general company purposes.
61. Water supply piping, hydrants and wells.
62. Wharves.
63. Window shades and ventilators.
64. Yard drainage system.
65. Yard lighting system.
66. Yard surfacing, gravel, concrete, or oil. (First cost only.)

NOTE: Structures and Improvements accounts shall be credited with the cost of coal bunkers, stacks, foundations, subways, tunnels, etc., the use of which has terminated with the removal of the equipment with which they are associated even though they have not been physically removed.

9. *Equipment.*

A. The cost of equipment chargeable to the electric plant accounts, unless otherwise indicated in the text of an equipment account, includes the net purchase price thereof, sales taxes, investigation and inspection expenses necessary to such purchase, expenses of transportation when borne by the utility, labor employed, materials and supplies consumed, and expenses incurred by the utility in unloading and placing the equipment in readiness to operate.

B. Exclude from equipment accounts hand and other portable tools, which are likely to be lost or stolen or which have relatively small value (for example, $50 or less) or short life, unless the correctness of the accounting therefor as electric plant is verified by current inventories. Special tools acquired and included in the purchase price of equipment shall be included in the appropriate plant account. Portable drills and similar tool equipment when used in connection with the operation and maintenance of a particular plant or department, such as production, transmission, distribution, etc., or in "stores," shall be charged to the plant account appropriate for their use.

C. The equipment accounts shall include angle irons and similar items which are installed at the base of an item of equipment, but piers and foundations which are designed to be as permanent as the buildings which house the equipment, or which are constructed as a part of the building and which cannot be removed without cutting into the walls, ceilings or floors or without in some way impairing the building, shall be included in the building accounts.

D. The equipment accounts shall include the necessary costs of testing or running a plant or part thereof during an experimental or test period prior to becoming available for service. The utility shall furnish the Commission with full particulars of and justification for any test or experimental run extending beyond a period of thirty days.

E. The cost of efficiency or other tests made subsequent to the date equipment becomes available for service shall be charged to the appropriate expense accounts, except that tests to determine whether equipment meets the specifications and requirements as to efficiency, performance, etc., guaranteed by manufacturers, made after operations have commenced and within the period specified in the agreement or contract of purchase, may be charged to the appropriate electric plant account.

10. *Additions and Retirements of Electric Plant.*

A. For the purpose of avoiding undue refinement in accounting for additions to and retirements and replacements of electric plant, all property shall be considered as consisting of (1) retirement units and (2) minor items of property. Each utility shall use such list of retirement units as is in use by it at the effective date hereof or as may be prescribed by the Commission, with the option, however, of using smaller units, provided the utility's practice in this respect is consistent.

B. The addition and retirement of retirement units shall be accounted for as follows:

(1) When a retirement unit is added to electric plant, the cost thereof shall be added to the appropriate electric plant account, except that when units are acquired in the acquisition of any electric plant constituting an operating system, they shall be accounted for as provided in electric plant instruction 5.

(2) When a retirement unit is retired from electric plant, with or without replacement, the book cost thereof shall be credited to the electric plant account in which it is included, determined in the manner set forth in paragraph D, below. If the retirement unit is of a depreciable class, the book cost of the unit retired and credited to electric plant shall be charged to the accumulated provision for depreciation applicable to such property. The cost of removal and the salvage shall be charged or credited, as appropriate, to such depreciation account.

C. The addition and retirement of minor items of property shall be accounted for as follows:

(1) When a minor item of property which did not previously exist is added to plant, the cost thereof shall be accounted for in the same manner as for the addition of a retirement unit, as set forth in paragraph B(1), above, if a substantial addition results, otherwise the charge shall be to the appropriate maintenance expense account.

(2) When a minor item of property is retired and not replaced, the book cost thereof shall be credited to the electric plant account in which it is included; and, in the event the minor item is a part of depreciable plant, the account for accumulated provision for depreciation shall be charged with the book cost and cost of removal and credited with the salvage. If, however, the book cost of the minor item retired and not replaced has been or will be accounted for by its inclusion in the retirement unit of which it is a part when such unit is retired, no separate credit to the property account is required when such minor item is retired.

(3) When a minor item of depreciable property is replaced independently of the retirement unit of which it is a part, the cost of replacement shall be charged to the maintenance account appropriate for the item, except that if the replacement effects a substantial betterment (the primary aim of which is to make the property affected more useful, more efficient, of greater durability, or of greater capacity), the excess cost of the replacement over the estimated cost at current prices of replacing without betterment shall be charged to the appropriate electric plant account.

D. The book cost of electric plant retired shall be the amount at which such property is included in the electric plant accounts, including all components of construction costs. The book cost shall be determined from the utility's records and if this cannot be done, it shall be estimated. When it is impracticable to determine the book cost of each unit, due to the relatively large number or small cost thereof, an appropriate average book cost of the units, with due allowance for any differences in size and character, shall be used as the book cost of the units retired.

E. The book cost of land retired shall be credited to the appropriate land account. If the land is sold, the difference between the book cost (less any accumulated provision for depreciation or amortization therefor which has been authorized and provided) and the sale price of the land (less commissions and other expenses of making the sale) shall be included in account 434, Miscellaneous Credits to Surplus or account 435, Miscellaneous Debits to Surplus, as appropriate. If the land is not used in utility service but is retained by the utility, the book cost shall be charged to account 105, Electric Plant Held for Future Use, or account 121, Nonutility Property, as appropriate.

F. The book cost less net salvage of depreciable electric plant retired shall be charged in its entirety to account 108, Accumulated Provision for Depreciation of Electric Plant in Service. Any amounts which, by approval or order of the Commission, are charged to account 182, Extraordinary Property Losses, shall be credited to account 108.

G. The accounting for the retirement of amounts included in account 302, Franchises and Consents, and account 303, Miscellaneous Intangible Plant, and the items of limited-term interest in land included in the accounts for land and land rights, shall be as provided for in the text of account 111, Accumulated Provision for Amortization of Electric Plant in Service, account 404, Amortization of Limited-Term Electric Plant, and

account 405, Amortization of Other Electric Plant.

11. *Work Order and Property Record System Required.*

A. Each utility shall record all construction and retirements of electric plant by means of work orders or job orders. Separate work orders may be opened for additions to and retirements of electric plant or the retirements may be included with the construction work order, provided, however, that all items relating to the retirements shall be kept separate from those relating to construction and provided, further, that any maintenance costs involved in the work shall likewise be segregated.

B. Each utility shall keep its work order system so as to show the nature of each addition to or retirement of electric plant, the total cost thereof, the source or sources of costs, and the electric plant account or accounts to which charged or credited. Work orders covering jobs of short duration may be cleared monthly.

C. Each utility shall maintain records in which, for each plant account, the amounts of the annual additions and retirements, subsequent to the effective date of this system of accounts, are classified so as to show the number and cost of the various record units or retirement units.

12. *Transfers of Property.*

When property is transferred from one electric plant account to another, from one utility department to another, such as from electric to gas, from one operating division or area to another, to or from accounts 101, Electric Plant in Service, 104, Electric Plant Leased to Others, 105, Electric Plant Held for Future Use, and 121, Nonutility Property, the transfer shall be recorded by transferring the original cost thereof from the one account, department, or location to the other. Any related amounts carried in the accounts for accumulated provision for depreciation or amortization shall be transferred in accordance with the segregation of such accounts.

13. *Common Utility Plant.*

A. If the utility is engaged in more than one utility service, such as electric, gas, and water, and any of its utility plant is used in common for several utility services or for other purposes to such an extent and in such manner that it is impracticable to segregate it by utility services currently in the accounts, such property, with the approval of the Commission, may be designated and classified as "common utility plant."

B. The book amount of utility plant designated as common plant shall be included in account 118, Other Utility Plant, and if applicable in part to the electric department, shall be segregated and accounted for in subaccounts as electric plant is accounted for in accounts 101 to 107, inclusive, and electric plant adjustments in account 116; any amounts classifiable as common plant acquisition adjustments or common plant adjustments shall be subject to disposition as provided in paragraphs C and B of accounts 114 and 116, respectively, for amounts classified in those accounts. The original cost of common utility plant in service shall be classified according to detailed utility plant accounts appropriate for the property.

C. The utility shall be prepared to show at any time and to report to the Commission annually, or more frequently, if required, and by utility plant accounts (301 to 399) the following: (1) The book cost of common utility plant, (2) The allocation of such cost to the respective departments using the common utility plant, and (3) The basis of the allocation.

D. The accumulated provision for depreciation and amortization of the utility shall be segregated so as to show the amount applicable to the property classified as common utility plant.

E. The expenses of operation, maintenance, rents, depreciation and amortization of common utility plant shall be recorded in the accounts prescribed herein, but designated as common expenses, and the allocation of such expenses to the departments using the common utility plant shall be supported in such manner as to reflect readily the basis of allocation used.

14. *Transmission and Distribution Plant.*

For the purpose of this system of accounts:

A. "Transmission system" means:

(1) All land, conversion structures, and equipment employed at a primary source of supply (i.e., generating station, or point of receipt in the case of purchased power) to change the voltage or frequency of electricity for the purpose of its more efficient or convenient transmission;

(2) All land, structures, lines, switching and conversion stations, high tension apparatus, and their control and protective equipment between a generating or receiving point and the entrance to a distribution center or wholesale point; and

(3) All lines and equipment whose primary purpose is to augment, integrate or tie together the sources of power supply.

B. "Distribution system" means all land, structures, conversion equipment, lines, line transformers, and other facilities employed between the primary source of supply (i.e., generating station, or point of receipt in the case of purchased power) and of delivery to customers, which are not includible in transmission system, as defined in paragraph A, whether or not such land, structures, and facilities are operated as part of a transmission system or as part of a distribution system.

NOTE: Stations which change electricity from transmission to distribution voltage shall be classified as distribution stations.

C. Where poles or towers support both transmission and distribution conductors, the poles, towers, anchors, guys, and rights of way shall be classified as transmission system. The conductors, crossarms, braces, grounds, tiewire, insulators, etc., shall be classified as transmission or distribution facilities, according to the purpose for which used.

D. Where underground conduit contains both transmission and distribution conductors, the underground conduit and right of way shall be classified as distribution system. The conductors shall be classified as transmission or distribution facilities according to the purpose for which used.

E. Land (other than rights of way) and structures used jointly for transmission and distribution purposes shall be classified as transmission or distribution according to the major use thereof.

Operating Expense Instructions

1. *Supervision and Engineering.*

The supervision and engineering includible in the operating expense accounts shall consist of the pay and expenses of superintendents, engineers, clerks, other employees and consultants engaged in supervising and directing the operation and maintenance of each utility function. Wherever allocations are necessary in order to arrive at the amount to be included in any account, the method and basis of allocation shall be reflected by underlying records.

ITEMS

Labor

1. Special tests to determine efficiency of equipment operation.
2. Preparing or reviewing budgets, estimates, and drawings relating to operation or maintenance for departmental approval.
3. Preparing instructions for operations and maintenance activities.
4. Reviewing and analyzing operating results.
5. Establishing organizational setup of departments and executing changes therein.
6. Formulating and reviewing routines of departments and executing changes therein.
7. General training and instruction of employees by supervisors whose pay is chargeable hereto. Specific instruction and training in a particular type of work is chargeable to the appropriate functional account.
8. Secretarial work for supervisory personnel, but not general clerical and stenographic work chargeable to other accounts.

Expenses

9. Consultants' fees and expenses.
10. Meals, traveling and incidental expenses.

2. *Maintenance.*

A. The cost of maintenance chargeable to the various operating expense and clearing accounts includes labor, materials, overheads and other expenses incurred in maintenance work. A list of work operations applicable generally to utility plant is included hereunder. Other work operations applicable to specific classes of plant are listed in functional maintenance expense accounts.

B. Materials recovered in connection with the maintenance of property shall be credited to the same account to which the maintenance cost was charged.

C. If the book cost of any property is carried in account 102, Electric Plant Purchased or Sold, the cost of maintaining such property shall be charged to the accounts for maintenance of property of the same class and use, the book cost of which is carried in other electric plant in service accounts. Maintenance of property leased from others shall be treated as provided in operating expense instruction 3.

ITEMS

1. Direct field supervision of maintenance.
2. Inspecting, testing, and reporting on

condition of plant specifically to determine the need for repairs, replacements, rearrangements and changes and inspecting and testing the adequacy of repairs which have been made.

3. Work performed specifically for the purpose of preventing failure, restoring serviceability or maintaining life of plant.

4. Rearranging and changing the location of plant not retired.

5. Repairing for reuse materials recovered from plant.

6. Testing for, locating and clearing trouble.

7. Net cost of installing, maintaining, and removing temporary facilities to prevent interruptions in service.

8. Replacing or adding minor items of plant which do not constitute a retirement unit. (See electric plant instruction 10.)

3. *Rents.*

A. The rent expense accounts provided under the several functional groups of expense accounts shall include all rents, including taxes paid by the lessee on leased property, for property used in utility operations, except (1) minor amounts paid for occasional or infrequent use of any property or equipment and all amounts paid for use of equipment that, if owned, would be includible in plant accounts 391 to 398, inclusive, which shall be treated as an expense item and included in the appropriate functional account and (2) rents which are chargeable to clearing accounts, and distributed therefrom to the appropriate account. If rents cover property used for more than one function, such as production and transmission, or by more than one department, the rents shall be apportioned to the appropriate rent expense or clearing accounts of each department on an actual, or, if necessary, an estimated basis.

B. When a portion of property or equipment rented from others for use in connection with utility operations is subleased, the revenue derived from such subleasing shall be credited to the rent revenue account in operating revenues; provided, however, that in case the rent was charged to a clearing account, amounts received from subleasing the property shall be credited to such clearing account.

C. The cost, when incurred by the lessee, of operating and maintaining leased property, shall be charged to the accounts appropriate for the expense if the property were owned.

D. The cost incurred by the lessee of additions and replacements to electric plant leased from others shall be accounted for as provided in electric plant instruction 6.

Balance Sheet Accounts

ASSETS AND OTHER DEBITS

1. Utility Plant

Electric plant.

101 Electric plant in service.
102 Electric plant purchased or sold.
103 Electric plant in process of reclassification.
104 Electric plant leased to others.
105 Electric plant held for future use.
106 Completed construction not classified—Electric.
107 Construction work in progress—Electric.

Accumulated provision for depreciation and amortization.

108 Accumulated provision for depreciation of electric plant in service.
109 Accumulated provision for depreciation of electric plant leased to others.
110 Accumulated provision for depreciation of electric plant held for future use.
111 Accumulated provision for amortization of electric plant in service.
112 Accumulated provision for amortization of electric plant leased to others.
113 Accumulated provision for amortization of electric plant held for future use.
114 Electric plant acquisition adjustments.
115 Accumulated provision for amortization of electric plant acquisition adjustments.
116 Other electric plant adjustments.
118 Other utility plant.
119 Accumulated provision for depreciation and amortization of other utility plant.

2. Other Property and Investments

121 Nonutility property.
122 Accumulated provision for depreciation and amortization of nonutility property.
123 Investment in associated companies.
124 Other investments.

Special funds.

125 Sinking funds.
126 Depreciation fund.
127 Amortization fund—Federal.
128 Other special funds.

3. Current and Accrued Assets

131 Cash.

Special deposits.

132 Interest special deposits.
133 Dividend special deposits.
134 Other special deposits.
135 Working funds.
136 Temporary cash investments.

Notes and accounts receivable.

141 Notes receivable.
142 Customer accounts receivable.
143 Other accounts receivable.
144 Accumulated provision for uncollectible accounts—credit.

Receivables from associated companies.

145 Notes receivable from associated companies.
146 Accounts receivable from associated companies.

Material and supplies.

151 Fuel stock.
152 Fuel stock expenses undistributed.
153 Residuals.
154 Plant materials and operating supplies.
155 Merchandise.
156 Other materials and supplies.
157 Nuclear fuel assemblies and components—In reactor.
158 Nuclear fuel assemblies and components—Stock account.
159 Nuclear byproduct materials.
163 Stores expense undistributed.
165 Prepayments.

Other current and accrued assets.

171 Interest and dividends receivable.
172 Rents receivable.
173 Accrued utility revenues.
174 Miscellaneous current and accrued assets.

4. Deferred Debits

181 Unamortized debt discount and expense.
182 Extraordinary property losses.

Other deferred debits.

183 Preliminary survey and investigation charges.
184 Clearing accounts.
185 Temporary facilities.
186 Miscellaneous deferred debits.

Liabilities and other credits.

5. Proprietary Capital

Common capital stock.

201 Common stock issued.
202 Common stock subscribed.
203 Common stock liability for conversion.

Preferred capital stock.

204 Preferred stock issued.
205 Preferred stock subscribed.
206 Preferred stock liability for conversion.

Other paid-in capital.

207 Premium on capital stock.
208 Donations received from stockholders.
209 Reduction in par or stated value of capital stock.
210 Gain on resale or cancellation of reacquired capital stock.
211 Miscellaneous paid-in capital.
212 Installments received on capital stock.
213 Discount on capital stock.
214 Capital stock expense.
215 Appropriated earned surplus.
216 Unappropriated earned surplus.
217 Reacquired capital stock.

6. Long-Term Debt

Bonds.

221 Bonds.
222 Reacquired bonds.
223 Advances from associated companies.
224 Other long-term debt.

7. Current and Accrued Liabilities

231 Notes payable.
232 Accounts payable.

Payables to associated companies.

233 Notes payable to associated companies.
234 Accounts payable to associated companies.
235 Customer deposits.
236 Taxes accrued.
237 Interest accrued.

Other current and accrued liabilities.

238 Dividends declared.
239 Matured long-term debt.
240 Matured interest.
241 Tax collections payable.
242 Miscellaneous current and accrued liabilities.

8. Deferred Credits

251 Unamortized premium on debt.
252 Customer advances for construction.
253 Other deferred credits.

9. Operating Reserves

261 Property insurance reserve.
262 Injuries and damages reserve.
263 Pensions and benefits reserve.
264 Amortization reserve—Federal.
265 Miscellaneous operating reserves.

10. Contributions in Aid of Construction

271 Contributions in aid of construction.

11. Accumulated Deferred Income Taxes

281 Accumulated deferred income taxes—Accelerated amortization.
282 Accumulated deferred income taxes—Liberalized depreciation.
283 Accumulated deferred income taxes—Other.

Balance Sheet Accounts

1. Utility Plant

101 Electric plant in service.

A. This account shall include the original cost of electric plant, included in accounts 301 to 399, prescribed herein, owned and used by the utility in its electric utility operations, and having an expectation of life in service of more than one year from date of installation, including such property owned by the utility but held by nominees.

(See also account 106 for unclassified construction costs of completed plant actually in service.)

B. The cost of additions to and betterments of property leased from others, which are includible in this account, shall be recorded in subdivisions separate and distinct from those relating to owned property. (See electric plant instruction 6.)

102 Electric plant purchased or sold.

A. This account shall be charged with the cost of electric plant acquired as an operating unit or system by purchase, merger, consolidation liquidation, or otherwise, and shall be credited with the selling price of like property transferred to others pending the distribution to appropriate accounts in accordance with electric plant instruction 5.

B. Within six months from the date of acquisition or sale of property recorded herein, the utility shall file with the Commission the proposed journal entries to clear from this account the amounts recorded herein.

103 Electric plant in process of reclassification.

A. This account shall include temporarily the balance of electric plant as of the effective date of the prior system of accounts, which has not yet been reclassified as of the effective date of this system of accounts. The detailed or primary accounts in support of this account employed prior to such date shall be continued pending reclassification into the electric plant accounts herein prescribed (301–399), but shall not be used for additions, betterments, or new construction.

B. No charges other than as provided in paragraph A, above, shall be made to this account, but retirements of such unclassified electric plant shall be credited hereto and to the supporting (old) fixed capital accounts until the reclassification shall have been accomplished.

104 Electric plant leased to others.

A. This account shall include the original cost of electric plant owned by the utility, but leased to others as operating units or systems, where the lessee has exclusive possession.

B. The property included in this account shall be classified according to the detailed accounts (301 to 399) prescribed for electric plant in service and this account shall be maintained in such detail as though the property were used by the owner in its utility operations.

105 Electric plant held for future use.

A. This account shall include the original cost of electric plant owned and held for future use in electric service under a definite plan for such use. There shall be included herein property acquired but never used by the utility in electric service, but held for such service in the future under a definite plan, and property previously used by the utility in electric service, but retired from such service and held pending its reuse in the future, under a definite plan, in electric service.

B. The property included in this account shall be classified according to the detailed accounts (301 to 399) prescribed for electric plant in service and the account shall be maintained in such detail as though the property were in service.

Note: Materials and supplies, meters and transformers held in reserve, and normal spare capacity of plant in service shall not be included in this account.

106 Completed construction not classified—Electric.

At the end of the year or such other date as a balance sheet may be required by the Commission, this account shall include the total of the balances of work orders for electric plant which has been completed and placed in service but which work orders have not been classified for transfer to the detailed electric plant accounts.

Note: For the purpose of reporting to the Commission the classification of electric plant in service by accounts is required, the utility shall also report the balance in this account tentatively classified as accurately as practicable according to prescribed account classifications. The purpose of this provision is to avoid any significant omissions in reported amounts of electric plant in service.

107 Construction work in progress—Electric.

A. This account shall include the total of the balances of work orders for electric plant in process of construction.

B. Work orders shall be cleared from this account as soon as practicable after completion of the job. Further, if a project, such as a hydroelectric project, a steam station or a transmission line, is designed to consist of two or more units or circuits which may be placed in service at different dates, any expenditures which are common to and which will be used in the operation of the project as a whole shall be included in electric plant in service upon the completion and the readiness for service of the first unit. Any expenditures which are identified exclusively with units of property not yet in service shall be included in this account.

108 Accumulated provision for depreciation of electric plant in service.

A. This account shall be credited with the following:

(1) Amounts charged to account 403, Depreciation Expense, to account 416, Costs and Expenses of Merchandising, Jobbing, and Contract Work, or to clearing accounts for current depreciation expense.

(2) Amounts charged to account 435, Miscellaneous Debits to Surplus, for past accrued depreciation.

(3) Amounts of depreciation applicable to electric properties acquired as operating units or systems. (See electric plant instruction 5.)

(4) Amounts charged to account 182, Extraordinary Property Losses, when authorized by the Commission.

(5) Amounts of depreciation applicable to electric plant donated to the utility.

B. At the time of retirement of depreciable electric plant in service, this account shall be charged with the book cost of the property retired and the cost of removal, and shall be credited with the salvage value and any other amounts recovered, such as insurance. When retirement, costs of removal and salvage are entered originally in retirement work orders, the net total of such work orders may be included in a separate subaccount hereunder. Upon completion of the work order, the proper distribution to subdivisions of this account shall be made as provided in the following paragraph.

C. For general ledger and balance sheet purposes, this account shall be regarded and treated as a single composite provision for depreciation. For purposes of analysis, however, each utility shall maintain subsidiary records in which this account is segregated according to the following functional classification for electric plant: (1) Steam production, (2) Nuclear production, (3) Hydraulic production, (4) Other production, (5) Transmission, (6) Distribution, and (7) General. These subsidiary records shall reflect the current credits and debits to this account in sufficient detail to show separately for each such functional classification (a) the amount of accrual for depreciation, (b) the book cost of property retired, (c) cost of removal, (d) salvage, and (e) other items, including recoveries from insurance.

D. When transfers of plant are made from one electric plant account to another, or from or to another utility department, or from or to nonutility property accounts, the accounting for the related accumulated provision for depreciation shall be as provided in electric plant instruction 12.

E. The utility is restricted in its use of the accumulated provision for depreciation to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

109 Accumulated provision for depreciation of electric plant leased to others.

A. This account shall be credited with amounts charged to account 413, Expenses of Electric Plant Leased to Others, for current depreciation expense or to account 435, Miscellaneous Debits to Surplus, for past accrued depreciation of property included in account 104, Electric Plant Leased to Others. Include, also, credits for depreciation applicable to plant acquired as operating units or systems, to plant donated to the utility or for losses transferred to account 182, Extraordinary Property Losses.

B. The requirements of account 108, Accumulated Provision for Depreciation of Electric Plant in Service, regarding

retirements chargeable thereto and subsidiary data to be maintained shall be applicable likewise to this account.

C. The utility is restricted in its use of the accumulated provision for depreciation to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

110 Accumulated provision for depreciation of electric plant held for future use.

A. This account shall be credited with amounts charged to account 421, Miscellaneous Nonoperating Income, for depreciation expense on property included in account 105, Electric Plant Held for Future Use. Include, also, the balance of accumulated provision for depreciation on property which may be transferred to account 105, Electric Plant Held for Future Use, from other property accounts.

B. The utility is restricted in its use of the accumulated provision for depreciation to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

NOTE: Normally, this account will not be used for current depreciation provisions because, as previded herein, the service life during which depreciation is computed commences with the date property is includible in electric plant in service; however, if special circumstances indicate the propriety of current accruals for depreciation, such charges shall be made to account 421, Miscellaneous Nonoperating Income.

111 Accumulated provision for amortization of electric plant in service.

A. This account shall be credited with amounts charged to account 404, Amortization of Limited-Term Electric Plant, for the current amortization of limited-term electric investments, or to account 435, Miscellaneous Debits to Surplus, for past accrued amortization. It shall be credited also with amounts which may be charged to account 405, Amortization of Other Electric Plant, to account 425, Miscellaneous Amortization, or to account 435, Miscellaneous Debits to Surplus, to amortize intangible or other electric plant which does not have a definite or terminable life and is not subject to charges for depreciation expense.

B. When any property to which this account applies is sold, relinquished, or otherwise retired from service, this account shall be charged with the amount previously credited in respect to such property. The book cost of the property so retired less the amount chargeable to this account and less the net proceeds realized at retirement shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus, as appropriate.

C. Records shall be maintained so as to show separately the balance applicable to each class of property which is being amortized.

D. The utility is restricted in its use of the accumulated provision for amortization to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

112 Accumulated provision for amortization of electric plant leased to others.

A. This account shall be credited with amounts charged to account 413, Expenses of Electric Plant Leased to Others, for the current amortization of limited-term or other investments subject to amortization included in account 104. Electric Plant Leased to Others, or to account 435, Miscellaneous Debits to Surplus, for past accrued amortization.

B. When any property to which this account applies is sold, relinquished, or otherwise retired from service, this account shall be charged with the amount previously credited in respect to such property. The book cost of the property so retired less the amount chargeable to this account and less the net proceeds realized at retirement shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus, as appropriate.

C. Records shall be maintained so as to show separately the balance applicable to each class of property which is being amortized.

D. The utility is restricted in its use of the accumulated provision for amortization to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

113 Accumulated provision for amortization of electric plant held for future use.

A. This account shall be credited with amounts charged to account 421, Miscellaneous Non-operating Income for amortization expense on property included in account 105, Electric Plant Held for Future Use. Include also the balance of accumulated provision for amortization on property which may be transferred to account 105, Electric Plant Held for Future Use, from other property accounts.

NOTE: See also note to account 110, Accumulated Provision for Depreciation of Electric Plant Held for Future Use.

B. The utility is restricted in its use of the accumulated provision for amortization to the purposes set forth above. It shall not transfer any portion of this account to surplus or make any other use thereof without authorization by the Commission.

114 Electric plant acquisition adjustments.

A. This account shall include the difference between (a) the cost to the accounting utility of electric plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise, and (b) the original cost, estimated, if not known, of such property, less the amount or amounts credited by the accounting utility at the time of acquisition to accumulated provisions for depreciation and amortization and contributions in aid of construction with respect to such property.

B. With respect to acquisitions after the effective date of this system of accounts, this account shall be subdivided so as to show the amounts included herein for each property acquisition and to electric plant in service, electric plant held for future use, and electric plant leased to others. (See electric plant instruction 5.)

C. The amounts recorded in this account with respect to each property acquisition shall be amortized, or otherwise disposed of, as the Commission may approve or direct.

115 Accumulated provision for amortization of electric plant acquisition adjustments.

This account shall be credited or debited with amounts which are includible in account 406, Amortization of Electric Plant Acquisition Adjustments, account 425, Miscellaneous Amortization, or account 435, Miscellaneous Debits to Surplus, for the purpose of providing for the extinguishment of amounts in account 114, Electric Plant Acquisition Adjustments, in instances where the amortization of account 114 is not being made by direct write-off of the account.

116 Other electric plant adjustments.

A. This account shall include the difference between the original cost, estimated if not known, and the book cost of electric plant to the extent that such difference is not properly includible in account 114, Electric Plant Acquisition Adjustments.

B. Amounts included in this account shall be classified in such manner as to show the origin of each amount and shall be disposed of as the Commission may approve or direct.

NOTE: The provisions of this account shall not be construed as approving or authorizing the recording of appreciation of electric plant.

118 Other utility plant.

This account shall include the balances in accounts for utility plant, other than electric plant, such as gas, railway, etc.

119 Accumulated provision for depreciation and amortization of other utility plant.

This account shall include the accumulated provision for depreciation and amortization applicable to utility property other than electric plant.

2. OTHER PROPERTY AND INVESTMENTS

121 Nonutility property.

A. This account shall include the book cost of land, structures, equipment or other tangible or intangible property owned by the utility, but not used in utility service and not properly includible in account 105, Electric Plant Held for Future Use.

B. This account shall be subdivided so as to show the amount of property used in operations which are nonutility in character but nevertheless constitute a distinct operating activity of the company (such as operation of an ice department where such activity is not classed as a utility) and the amount of miscellaneous property not used in operations. The records in support of each subaccount shall be maintained so as to show

an appropriate classification of the property.

122 Accumulated provision for depreciation and amortization of nonutility property.

This account shall include the accumulated provision for depreciation and amortization applicable to nonutility property.

123 Investment in associated companies.

A. This account shall include the book cost of investments in securities issued or assumed by associated companies and investment advances to such companies, including interest accrued thereon when such interest is not subject to current settlement. Include also the offsetting entry to the recording of amortization of discount or premium on interest bearing investments. (See account 419, Interest and Dividend Income.)

B. The account shall be maintained in such manner as to show the investment in securities of, and advances to, each associated company together with full particulars regarding any of such investments that are pledged.

NOTE A: Securities and advances of associated companies owned and pledged shall be included in this account, but such securities, if held in special deposits or in special funds, shall be included in the appropriate deposit or fund account. A complete record of securities pledged shall be maintained.

NOTE B: Securities of associated companies held as temporary cash investments are includible in account 136, Temporary Cash Investments.

NOTE C: Balances in open accounts with associated companies, which are subject to current settlement, are includible in account 146, Accounts Receivable from Associated Companies.

NOTE D: The utility may write down the cost of any security in recognition of a decline in the value thereof. Securities shall be written off or written down to a nominal value if there be no reasonable prospect of substantial value. Fluctuations in market value shall not be recorded but a permanent impairment in the value of securities shall be recognized in the accounts. When securities are written off or written down, the amount of the adjustment shall be charged to account 435, Miscellaneous Debits to Surplus, or to an appropriate account for accumulated provisions for loss in value established as a separate subdivision of this account.

124 Other investments.

A. This account shall include the book cost of investments in securities issued or assumed by nonassociated companies, investment advances to such companies, and any investments not accounted for elsewhere. Include also the offsetting entry to the recording of amortization of discount or premium on interest bearing investments. (See account 419, Interest and Dividend Income.)

B. The cost of capital stock of the utility reacquired by it under a definite plan for resale pursuant to authorization by the Board of Directors may, if permitted by statutes, be included in a separate subdivision of this account. (See also account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, and account 217, Reacquired Capital Stock.)

C. The records shall be maintained in such manner as to show the amount of each investment and the investment advances to each person.

NOTE A: Securities owned and pledged shall be included in this account, but securities held in special deposits or in special funds shall be included in appropriate deposit or fund accounts. A complete record of securities pledged shall be maintained.

NOTE B: Securities held as temporary cash investments shall not be included in this account.

NOTE C: See Note D of account 123.

125 Sinking funds.

This account shall include the amount of cash and book cost of investments held in sinking funds. A separate account, with appropriate title, shall be kept for each sinking fund. Transfers from this account to special deposit accounts, may be made as necessary for the purpose of paying matured sinking-fund obligations, or obligations called for redemption but not presented, or the interest thereon.

126 Depreciation fund.

This account shall include the amount of cash and the book cost of investments which have been segregated in a special fund for the purpose of identifying such assets with the accumulated provisions for depreciation.

127 Amortization fund—Federal.

This account shall include the amount of cash and book cost of investments of any fund maintained pursuant to the requirements of a federal regulatory body, and the cash and investments segregated for the purpose of identifying the specific assets associated with account 264, Amortization Reserve—Federal.

128 Other special funds.

This account shall include the amount of cash and book cost of investments which have been segregated in special funds for insurance, employee pensions, savings, relief, hospital, and other purposes not provided for elsewhere. A separate account, with appropriate title, shall be kept for each fund.

NOTE: Amounts deposited with a trustee under the terms of an irrevocable trust agreement for pensions or other employee benefits shall not be included in this account.

3. CURRENT AND ACCRUED ASSETS

Current and accrued assets are cash, those assets which are readily convertible into cash or are held for current use in operations or construction, current claims against others, payment of which is reasonably assured, and amounts accruing to the utility which are subject to current settlement, except such items for which accounts other than those designated as current and accrued assets are provided. There shall not be included in the group of accounts designated as current and accrued assets, any item, the amount or collectibility of which is not reasonably assured, unless an adequate provision for possible loss has been made therefor. Items of current character but of doubtful value may be written down and for record purposes carried in these accounts at nominal value.

131 Cash.

This account shall include the amount of current cash funds except working funds.

132 Interest special deposits.

This account shall include special deposits with fiscal agents or others for the payment of interest.

133 Dividend special deposits.

This account shall include special deposits with fiscal agents or others for the payment of dividends.

134 Other special deposits.

This account shall include deposits with fiscal agents or others for special purposes other than the payment of interest and dividends. Such special deposits may include cash deposited with federal, state, or municipal authorities as a guaranty for the fulfillment of obligations; cash deposited with trustees to be held until mortgaged property sold, destroyed, or otherwise disposed of is replaced; cash realized from the sale of the accounting utility's securities and deposited with trustees to be held until invested in property of the utility, etc. Entries to this account shall specify the purpose for which the deposit is made.

NOTE: Assets available for general corporate purposes shall not be included in this account. Further, deposits for more than one year, which are not offset by current liabilities, shall not be charged to this account but to account 128, Other Special Funds.

135 Working funds.

This account shall include cash advanced to officers, agents, employees, and others as petty cash or working funds.

136 Temporary cash investments.

A. This account shall include the book cost of investments, such as demand and time loans, bankers' acceptances, United States Treasury certificates, marketable securities, and other similar investments, acquired for the purpose of temporarily investing cash.

B. This account shall be so maintained as to show separately temporary cash investments in securities of associated companies and of others. Records shall be kept of any pledged investments.

141 Notes receivable.

This account shall include the book cost, not includible elsewhere, of all collectible obligations in the form of notes receivable and similar evidences (except interest coupons) of money due on demand or within one year from the date of issue, except, however, notes receivable from associated companies. (See account 136, Temporary Cash Investments, and account 145, Notes Receivable from Associated Companies.)

NOTE: The face amount of notes receivable discounted, sold, or transferred without releasing the utility from liability as endorser thereon, shall be credited to a separate subdivision of this account and appropriate disclosure shall be made in financial statements of any contingent liability arising from such transactions.

142 Customer accounts receivable.

A. This account shall include amounts due from customers for utility service, and for merchandising, jobbing and contract work. This account shall not in-

clude amounts due from associated companies.

B. This account shall be maintained so as to permit ready segregation of the amounts due for merchandising, jobbing and contract work.

143 Other accounts receivable.

A. This account shall include amounts due the utility upon open accounts, other than amounts due from associated companies and from customers for utility services and merchandising, jobbing and contract work.

B. This account shall be maintained so as to show separately amounts due on subscriptions to capital stock and from officers and employees, but the account shall not include amounts advanced to officers or others as working funds. (See account 135, Working Funds.)

144 Accumulated provision for uncollectible accounts—Cr.

A. This account shall be credited with amounts provided for losses on accounts receivable which may become uncollectible, and also with collections on accounts previously charged hereto. Concurrent charges shall be made to account 904, Uncollectible Accounts, for amounts applicable to utility operations, and to corresponding accounts for other operations. Records shall be maintained so as to show the write-offs of account receivable for each utility department.

B. This account shall be subdivided to show the provision applicable to the following classes of accounts receivable:

Utility customers.
Merchandising, jobbing and contract work.
Officers and employees.
Others.

NOTE A: Accretions to this account shall not be made in excess of a reasonable provision against losses of the character provided for.

NOTE B: If provisions for uncollectible notes receivable or for uncollectible receivables from associated companies are necessary, separate subaccounts therefor shall be established under the account in which the receivable is carried.

145 Notes receivable from associated companies.

146 Accounts receivable from associated companies.

These accounts shall include notes and drafts upon which associated companies are liable, and which mature and are expected to be paid in full not later than one year from the date of issue, together with any interest thereon, and debit balances subject to current settlement in open accounts with associated companies. Items which do not bear a specified due date but which have been carried for more than twelve months and items which are not paid within twelve months from due date shall be transferred to account 123, Investment in Associated Companies.

NOTE A: On the balance sheet, accounts receivable from an associated company may be set off against accounts payable to the same company.

NOTE B: The face amount of notes receivable discounted, sold or transferred without releasing the utility from liability as endorser thereon, shall be credited to a separate subdivision of this account and appropriate disclosure shall be made in financial statements of any contingent liability arising from such transactions.

151 Fuel stock.

This account shall include the book cost of fuel on hand.

Items

1. Invoice price of fuel less any cash or other discounts.
2. Freight, switching, demurrage and other transportation charges, not including, however, any charges for unloading from the shipping medium.
3. Excise taxes, purchasing agents' commissions, insurance and other expenses directly assignable to cost of fuel.

152 Fuel stock expenses undistributed.

A. This account may include the cost of labor and of supplies used and expenses incurred in unloading fuel from the shipping medium and in the handling thereof prior to its use, if such expenses are sufficiently significant in amount to warrant being treated as a part of the cost of fuel inventory rather than being charged direct to expense as incurred.

B. Amounts included herein shall be charged to expense as the fuel is used to the end that the balance herein shall not exceed the expenses attributable to the inventory of fuel on hand.

ITEMS

Labor:
1. Procuring and handling of fuel.
2. All routine fuel analyses.
3. Unloading from shipping facility and putting in storage.
4. Moving of fuel in storage and transferring from one station to another.
5. Handling from storage or shipping facility to first bunker, hopper, bucket, tank or holder of boiler house structure.
6. Operation of mechanical equipment, such as locomotives, trucks, cars, boats, barges, cranes, etc.

Supplies and Expenses:
7. Tools, lubricants and other supplies.
8. Operating supplies for mechanical equipment.
9. Transportation and other expenses in moving fuel.
10. Stores expenses applicable to fuel.

153 Residuals.

This account shall include the book cost of any residuals produced in production or manufacturing processes.

154 Plant materials and operating supplies.

A. This account shall include the cost of materials purchased primarily for use in the utility business for construction, operation and maintenance purposes. It shall include also the book cost of materials recovered in connection with construction, maintenance or the retirement of property, such materials being credited to construction, maintenance or accumulated depreciation provision, respectively, and included herein as follows:

(1) Reusable materials consisting of large individual items shall be included in this account at original cost, estimated if not known. The cost of repairing such items shall be charged to the maintenance account appropriate for the previous use.

(2) Reusable materials consisting of relatively small items, the identity of which (from the date of original installation to the final abandonment or sale thereof) cannot be ascertained without undue refinement in accounting, shall be included in this account at current prices new for such items. The cost of repairing such items shall be charged to the appropriate expense account as indicated by previous use.

(3) Scrap and nonusable materials included in this account shall be carried at the estimated net amount realizable therefrom. The difference between the amounts realized for scrap and nonusable materials sold and the net amount at which the materials were carried in this account, as far as practicable, shall be adjusted to the accounts credited when the materials were charged to this account.

B. Materials and supplies issued shall be credited hereto and charged to the appropriate construction, operating expense, or other account on the basis of a unit price determined by the use of cumulative average, first-in-first-out, or such other method of inventory accounting as conforms with accepted accounting standards consistently applied.

ITEMS

1. Invoice price of materials less cash or other discounts.
2. Freight, switching or other transportation charges when practicable to include as part of the cost of particular materials to which they relate.
3. Customs duties and excise taxes.
4. Costs of inspection and special tests prior to acceptance.
5. Insurance and other directly assignable charges.

NOTE: Where expenses applicable to materials purchased cannot be directly assigned to particular purchases, they shall be charged to account 163, Stores Expense Undistributed.

155 Merchandise.

This account shall include the book cost of materials and supplies and appliances and equipment held primarily for merchandising, jobbing and contract work. The principles prescribed in accounting for utility materials and supplies shall be observed in respect to items carried in this account.

156 Other materials and supplies.

This account shall include the book cost of materials and supplies held primarily for nonutility purposes. The principles prescribed in accounting for utility materials and supplies shall be observed in respect to items carried in this account.

157 Nuclear fuel assemblies and components—In reactor.

This account shall include cost to the utility of assemblies and components installed in the reactor for production of electricity. This account shall be debited for cost of assemblies and components transferred from account 158, Nuclear Fuel Assemblies and Components—Stock Account, and credited for amounts charged to account 518, Fuel, for cost distribution of assemblies and components in use. Upon discharge of the reactor for refueling this account shall be

credited and account 158, Nuclear Fuel Assemblies and Components—Stock Account, debited for remaining undistributed net costs pertaining to assemblies and components removed from the reactor.

158 Nuclear fuel assemblies and components—Stock account.

A. This account shall include the cost to the utility of nuclear fuel assemblies and components in process of fabrication, held in stock as spare assemblies and components, and held for or being chemically processed after use. When fuel assemblies and components are removed from stock for installation in the reactor, this account shall be credited and account 157, Nuclear Fuel Assemblies And Components—In Reactor, debited for the utility's cost thereof. When materials are discharged from the reactor, this account shall be debited and account 157 credited with the remaining costs applicable to the spent fuel assemblies. Upon completion of chemical processing of the reactor discharge materials, an accounting shall be made for disposition of such reprocessed materials, including adjustments to account 518, Fuel, and other accounts, as appropriate.

B. Where stock may consist of assemblies and components from more than one lot of fabricated materials, the basis of costing issues from stock may be on the basis of a unit price determined by the use of cumulative average, first-in-first-out, or such other method of inventory accounting as conforms with accepted accounting standards consistently applied.

NOTE: Provisions will be made as required to provide for reactors utilizing aqueous and liquid metal solutions, slurries, and fluidized solids.

159 Nuclear by-product materials.

This account shall include the net recoverable values of plutonium and other nuclear by-product materials. This account shall be debited and account 518, Fuel, credited with the estimated recoverable values of the excess of the nuclear by-product materials formed in operation of the reactor over the nuclear by-product materials burned, if any, net of the estimated cost of conversion to metal and delivery to the Atomic Energy Commission. Adjustments to this account with respect to differences between amounts actually realized and the estimated amounts accumulated from credits to operations shall be debited or credited, as appropriate, to account 518, Fuel.

163 Stores expense undistributed.

A. This account shall include the cost of supervision, labor and expenses incurred in the operation of general storerooms, including purchasing, storage, handling and distribution of materials and supplies.

B. This account shall be cleared by adding to the cost of materials and supplies issued a suitable loading charge which will distribute the expense equitably over stores issues. The balance in the account at the close of the year shall not exceed the amount of stores expenses reasonably attributable to the inventory of materials and supplies exclusive of fuel, as any amount applicable to fuel costs should be included in account 152, Fuel Stock Expenses Undistributed.

ITEMS

Labor:

1. Inspecting and testing materials and supplies when not assignable to specific items.
2. Unloading from shipping facility and putting in storage.
3. Supervision of purchasing and stores department to extent assignable to materials handled through stores.
4. Getting materials from stock and in readiness to go out.
5. Inventorying stock received or stock on hand by stores employees but not including inventories by general department employees as part of internal or general audits.
6. Purchasing department activities in checking material needs, investigating sources of supply, analyzing prices, preparing and placing orders, and related activities to extent applicable to materials handled through stores. (Optional. Purchasing department expenses may be included in administrative and general expenses.)
7. Maintaining stores equipment.
8. Cleaning and tidying storerooms and stores offices.
9. Keeping stock records, including recording and posting of material receipts and issues and maintaining inventory record of stock.
10. Collecting and handling scrap materials in stores.

Supplies and expenses:

11. Adjustments of inventories of materials and supplies but not including large differences which can readily be assigned to important classes of materials and equitably distributed among the accounts to which such classes of materials have been charged since the previous inventory.
12. Cash and other discounts not practically assignable to specific materials.
13. Freight, express, etc., when not assignable to specific items.
14. Heat, light and power for storerooms and store offices.
15. Brooms, brushes, sweeping compounds and other supplies used in cleaning and tidying storerooms and stores offices.
16. Injuries and damages.
17. Insurance on materials and supplies and on stores equipment.
18. Losses due to breakage, leakage, evaporation, fire or other causes, less credits for amounts received from insurance, transportation companies or others in compensation of such losses.
19. Postage, printing, stationery and office supplies.
20. Rent of storage space and facilities.
21. Communication service.
22. Excise and other similar taxes not assignable to specific materials.
23. Transportation expense on inward movement of stores and on transfer between storerooms but not including charges on materials recovered from retirements which shall be accounted for as part of cost of removal.

NOTE: A physical inventory of each class of materials and supplies shall be made at least every two years.

165 Prepayments.

This account shall include amounts representing prepayments of insurance, rents, taxes, interest and miscellaneous items, and shall be kept or supported in such manner as to disclose the amount of each class of prepayment.

171 Interest and dividends receivable.

This account shall include the amount of interest on bonds, mortgages, notes, commercial paper, loans, open accounts, deposits, etc., the payment of which is reasonably assured, and the amount of dividends declared or guaranteed on stocks owned.

NOTE A: Interest which is not subject to current settlement shall not be included herein but in the account in which is carried the principal on which the interest is accrued.

NOTE B: Interest and dividends receivable from associated companies shall be included in account 146, Accounts receivable from associated companies.

172 Rents receivable.

This account shall include rents receivable or accrued on property rented or leased by the utility to others.

NOTE: Rents receivable from associated companies shall be included in account 146, Accounts Receivable from Associated Companies.

173 Accrued utility revenues.

At the option of the utility, the estimated amount accrued for service rendered, but not billed at the end of any accounting period, may be included herein. In case accruals are made for unbilled revenues, they shall be made likewise for unbilled expenses, such as for the purchase of energy.

174 Miscellaneous current and accrued assets.

This account shall include the book cost of all other current and accrued assets, appropriately designated and supported so as to show the nature of each asset included herein.

4. DEFERRED DEBITS

181 Unamortized debt discount and expense.

A. This account shall include the total of the debit balances in the discount, expense and premium accounts for all classes of long-term debt, determined as provided in the following paragraphs of this account.

B. A discount, expense and premium account shall be maintained for each class and series of long-term debt (including receivers' certificates) issued or assumed by the utility, in which shall be recorded the discount, expense and premium associated with the issuance and sale of each such class and series of debt. In stating the balance sheet, the total of the debit balances remaining in those accounts having debit balances shall be reported under this account and the total of credit balances remaining in those accounts having credit balances shall be reported under account 251, Unamortized Premium on Debt. Accounts with debit balances shall not be set off against accounts with credit balances.

C. The discount, expense and premium shall be amortized over the life of the respective issues under a plan which will distribute the amounts equitably over the life of the securities. The amortization shall be on a monthly basis, and the amounts thereof shall be charged to account 428, Amortization of Debt Discount and Expense, or credited to account 429, Amortization of Premium on Debt—Cr., as may be appropriate. The utility may, however, accelerate the

writing off of discount and expense where the amounts are insignificant.

D. When any long-term debt is reacquired or redeemed without being converted into another form of long-term debt and when the transaction is not in connection with a refunding operation, the difference between the amount paid upon reacquirement and the face value plus the unamortized premium or less the unamortized discount and expense, as the case may be, applicable to the debt redeemed, retired and canceled, shall be included in account 434, Miscellaneous Credits to Surplus or account 435, Miscellaneous Debits to Surplus, as appropriate.

E. When the redemption of one issue or series of bonds or other long-term obligations is financed by another issue or series before the maturity date of the first issue, account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus, shall be credited or debited, as appropriate, with any unamortized discount, expense, or premium on the first issue and any premium paid or discount earned on the redemption. If the utility desires to amortize any of the discount, expense, or premium associated with the issuance or redemption of the first issue over a period subsequent to the date of redemption, the permission of the Commission must be obtained; provided, however, that special permission of the Commission shall not be necessary, if the utility proceeds with a plan of disposition of the discount, expense, and redemption premiums associated with the refunded bonds, as follows:

(1) A special charge is recorded in the year of refunding in account 428, Amortization of Debt Discount and Expense, equal to the saving in income taxes arising from the refunding transactions;

(2) There is charged to account 435, Miscellaneous Debits to Surplus, in the year of refunding, any amounts of unamortized discount and expenses or redemption premiums relating to bonds or other long-term obligations previously refunded by the refunded bonds under immediate consideration, such amounts sometimes being referred to as "grandfather items"; and,

(3) The utility proceeds to amortize by equal monthly charges, from the date of refunding, the remainder of the charges associated with the refunded bonds, over a period not longer than that in which the saving in net annual interest and amortization charges equals the remainder of charges to be amortized, after taking into consideration the estimated additional taxes on income attributable to the saving in net annual interest and amortization charges.

F. Discount, expense or premium on debt shall not be included as part of the cost of constructing or acquiring any property, tangible or intangible, except under the provisions of account 432, Interest Charged to Construction—Cr.

182 Extraordinary property losses.

A. When authorized or directed by the Commission, this account shall include extraordinary losses on property abandoned or otherwise retired from service which are not provided for by the accumulated provisions for depreciation or amortization and which could not reasonably have been foreseen and provided for, and extraordinary losses, such as unforeseen damages to property, which could not reasonably have been anticipated and which are not covered by insurance or other provisions.

B. The entire cost, less net salvage, of depreciable property retired shall be charged to accumulated provision for depreciation. If all, or a portion, of the loss is to be included in this account, the accumulated provision for depreciation shall then be credited and this account charged with the amount properly chargeable hereto.

C. Application to the Commission for permission to use this account shall be accompanied by a statement giving a complete explanation with respect to the items which it is proposed to include herein, the period over which, and the accounts to which it is proposed to write off the charges, and other pertinent information.

183 Preliminary survey and investigation charges.

A. This account shall be charged with all expenditures for preliminary surveys, plans, investigations, etc., made for the purpose of determining the feasibility of utility projects under contemplation. If construction results, this account shall be credited and the appropriate utility plant account charged. If the work is abandoned, the charge shall be made to account 435, Miscellaneous Debits to Surplus, or to the appropriate operating expense account.

B. The records supporting the entries to this account shall be so kept that the utility can furnish complete information as to the nature and the purpose of the survey, plans, or investigations and the nature and amounts of the several charges.

NOTE: The amount of preliminary survey and investigation charges transferred to utility plant shall not exceed the expenditures which may reasonably be determined to contribute directly and immediately and without duplication to utility plant.

184 Clearing accounts.

This caption shall include undistributed balances in clearing accounts at the date of the balance sheet. Balances in clearing accounts shall be substantially cleared not later than the end of the calendar year unless items held therein relate to a future period.

185 Temporary facilities.

This account shall include amounts shown by work orders for plant installed for temporary use in utility service for periods of less than one year. Such work orders shall be charged with the cost of temporary facilities and credited with payments received from customers and net salvage realized on removal of the temporary facilities. Any net credit or debit resulting shall be cleared to account 451, Miscellaneous Service Revenues.

186 Miscellaneous deferred debits.

A. This account shall include all debits not elsewhere provided for, such as miscellaneous work in progress, and unusual or extraordinary expenses, not included in other accounts, which are in process of amortization and items the proper final disposition of which is uncertain.

B. The records supporting the entries to this account shall be so kept that the utility can furnish full information as to each deferred debit.

5. PROPRIETARY CAPITAL

201 Common stock issued.

204 Preferred stock issued.

A. These accounts shall include the par value or the stated value of stock without par value if such stock has a stated value, and, if not, the cash value of the consideration received for such nonpar stock, of each class of capital stock actually issued, including the par or stated value of such capital stock in account 124, Other Investments, and account 217, Reacquired Capital Stock.

B. When the actual cash value of the consideration received is more or less than the par or stated value of any stock having a par or stated value, the difference shall be credited or debited, as the case may be, to the premium or discount account for the particular class and series.

C. When capital stock is retired, these accounts shall be charged with the amount at which such stock is carried herein.

D. A separate ledger account, with a descriptive title, shall be maintained for each class and series of stock. The supporting records shall show the shares nominally issued, actually issued, and nominally outstanding.

NOTE: When a levy or assessment, except a call for payment on subscriptions, is made against holders of capital stock, the amount collected upon such levy or assessment shall be credited to account 207, Premium on Capital Stock; provided, however, that the credit shall be made to account 213, Discount on Capital Stock, to the extent of any remaining balance of discount on the issue of stock.

202 Common stock subscribed.

205 Preferred stock subscribed.

A. These accounts shall include the amount of legally enforceable subscriptions to capital stock of the utility. They shall be credited with the par or stated value of the stock subscribed, exclusive of accrued dividends, if any. Concurrently, a debit shall be made to subscriptions to capital stock, included as a separate subdivision of account 143, Other Accounts Receivable, for the agreed price, and any discount or premium shall be debited or credited to the appropriate discount or premium account. When properly executed stock certificates have been issued representing the shares subscribed, this account shall be debited, and the appropriate capital stock account credited, with the par or stated value of such stock.

B. The records shall be kept in such manner as to show the amount of subscriptions to each class and series of stock.

203 Common stock liability for conversion.

206 Preferred stock liability for conversion.

A. These accounts shall include the par value or stated value, as appropriate, of capital stock which the utility has agreed to exchange for outstanding securities of other companies in connection with the acquisition of properties of such companies under terms which allow the holders of the securities of the other companies to surrender such securities and receive in return therefor capital stock of the accounting utility.

B. When the securities of the other companies have been surrendered and capital stock issued in accordance with the terms of the exchange, these accounts shall be charged and accounts 201, Common Stock Issued, or 204, Preferred Stock Issued, as the case may be, shall be credited.

C. The records shall be kept so as to show separately the stocks of each class and series for which a conversion liability exists.

207 Premium on capital stock.

A. This account shall include, in a separate subdivision for each class and series of stock, the excess of the actual cash value of the consideration received on original issues of capital stock over the par or stated value and accrued dividends of such stock, together with assessments against stockholders representing payments required in excess of par or stated values.

B. Premium on capital stock shall not be set off against expenses. Further, a premium received on an issue of a certain class or series of stock shall not be set off against expenses of another issue of the same class or series.

C. When capital stock which has been actually issued is retired, the amount in this account applicable to the shares retired shall be transferred to account 210, Gain on Resale or Cancellation of Reacquired Capital Stock.

208 Donations received from stockholders.

This account shall include the balance of credits for donations received from stockholders consisting of capital stock of the utility, cancellation or reduction of debt of the utility, and the cash value of other assets received as a donation.

209 Reduction in par or stated value of capital stock.

This account shall include the balance of credits arising from a reduction in the par or stated value of capital stock.

210 Gain on resale or cancellation of reacquired capital stock.

This account shall include the balance of credits arising from the resale or cancellation of reacquired capital stock. (See account 217. Reacquired Capital Stock.)

211 Miscellaneous paid-in capital.

This account shall include the balance of all other credits for paid-in capital which are not properly includible in the foregoing accounts.

NOTE: Amounts included in capital surplus at the effective date of this system of accounts which cannot be classified as to the source thereof shall be included in this account.

212 Installments received on capital stock.

A. This account shall include in a separate subdivision for each class and series of capital stock the amount of installments received on capital stock on a partial or installment payment plan from subscribers who are not bound by legally enforceable subscription contracts.

B. As subscriptions are paid in full and certificates issued, this account shall be charged and the appropriate capital stock account credited with the par or stated value of such stock. Any discount or premium on an original issue shall be included in the appropriate discount or premium account.

213 Discount on capital stock.

A. This account shall include in a separate subdivision for each class and series of capital stock all discount on the original issuance and sale of capital stock, including additional capital stock of a particular class or series as well as first issues.

B. When capital stock which has been actually issued is retired, the amount in this account applicable to the shares retired shall be written off to account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, provided, however, that the amount shall be charged to account 435, Miscellaneous Debits to Surplus, to the extent that it exceeds the balance in account 210.

C. The utility may amortize the balance in this account by systematic charges to account 425, Miscellaneous Amortization, or it may write off capital stock discount in whole or in part by charges to account 435, Miscellaneous Debits to Surplus.

214 Capital stock expense.

A. This account shall include in a separate subdivision for each class and series of stock all commissions and expenses incurred in connection with the original issuance and sale of capital stock, including additional capital stock of a particular class or series as well as first issues. Expenses applicable to capital stock shall not be deducted from premium on capital stock.

B. When capital stock which has been actually issued by the utility is retired, the amount in this account, applicable to the shares retired shall be written off to account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, provided, however, that the amount shall be charged to account 435, Miscellaneous Debits to Surplus, to the extent that it exceeds the balance in account 210.

C. The utility may amortize the balance in this account by systematic charges to account 425, Miscellaneous Amortization, or it may write off capital stock expense in whole or in part by charges to account 435, Miscellaneous Debits to Surplus.

NOTE: Expenses in connection with the reacquisition or resale of the utility's capital stock shall not be included herein.

215 Appropriated earned surplus.

This account shall include the amount of earned surplus which has been appropriated or set aside for specific purposes. Separate subaccounts shall be maintained under such titles as will designate the purpose for which each appropriation was made.

216 Unappropriated earned surplus.

This account shall include the balance, either debit or credit, of unappropriated surplus arising from earnings. It shall not include items includible in any of the accounts for paid-in capital.

217 Reacquired capital stock.

A. This account shall include in a separate subdivision for each class and series of capital stock, the cost of capital stock actually issued by the utility and reacquired by it and not retired or canceled, except, however, stock which is held by trustees in sinking or other funds.

B. When reacquired capital stock is retired or canceled, the difference between its cost, including commissions and expenses paid in connection with the reacquisition, and its par or stated value plus any premium and less any discount and expenses applicable to the shares retired, shall be debited or credited, as appropriate, to account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, provided, however, that debits shall be charged to account 435, Miscellaneous Debits to Surplus, to the extent that they exceed the balance in account 210.

C. When reacquired capital stock is resold by the utility, the difference between the amount received on the resale of the stock, less expenses incurred in the resale, and the cost of the stock included in this account shall be accounted for as outlined in paragraph B.

NOTE A: See account 124, Other Investments, for permissive accounting treatment of stock reacquired under a definite plan for resale.

NOTE B: The accounting for reacquired stock shall be as prescribed herein unless otherwise specifically required by statute.

6. LONG-TERM DEBT

221 Bonds.

This account shall include in a separate subdivision for each class and series of bonds the face value of the actually issued and unmatured bonds which have not been retired or canceled; also the face value of such bonds issued by others the payment of which has been assumed by the utility.

222 Reacquired bonds.

A. This account shall include the face value of bonds actually issued or assumed by the utility and reacquired by it and not retired or canceled. The account for reacquired debt shall not include securities which are held by trustees in sinking or other funds.

B. When bonds are reacquired, the difference between face value, adjusted for unamortized discount, expense or premium and the amount paid upon reacquisition, shall be included in account 434, Miscellaneous Credits to Surplus or

account 435, Miscellaneous Debits to Surplus, as appropriate. (See, however, account 181, paragraph E, as to refunding operations.)

223 Advances from associated companies.

A. This account shall include the face value of notes payable to associated companies and the amount of open book accounts representing advances from associated companies. It does not include notes and open accounts representing indebtedness subject to current settlement which are includible in account 233, Notes Payable to Associated Companies, or account 234, Accounts Payable to Associated Companies.

B. The records supporting the entries to this account shall be so kept that the utility can furnish complete information concerning each note and open account.

224 Other long-term debt.

A. This account shall include, until maturity, all long-term debt not otherwise provided for. This covers such items as receivers' certificates, real estate mortgages executed or assumed, assessments for public improvements, notes and unsecured certificates of indebtedness not owned by associated companies, receipts outstanding for long-term debt, and other obligations maturing more than one year from date of issue or assumption.

B. Separate accounts shall be maintained for each class of obligation, and records shall be maintained to show for each class all details as to date of obligation, date of maturity, interest dates and rates, security for the obligation, etc.

NOTE: Miscellaneous long-term debt reacquired shall be accounted for in accordance with the procedure set forth in account 222, Reacquired Bonds.

7. CURRENT AND ACCRUED LIABILITIES

Current and accrued liabilities are those obligations which have either matured or which become due within one year from the date thereof: except, however, bonds, receivers' certificates and similar obligations which shall be classified as long-term debt until date of maturity; accrued taxes, such as income taxes, which shall be classified as accrued liabilities even though payable more than one year from date; compensation awards, which shall be classified as current liabilities regardless of date due; and minor amounts payable in installments which may be classified as current liabilities. If a liability is due more than one year from date of issuance or assumption by the utility, it shall be credited to a long-term debt account appropriate for the transaction, except, however, the current liabilities previously mentioned.

231 Notes payable.

This account shall include the face value of all notes, drafts, acceptances, or other similar evidences of indebtedness, payable on demand or within a time not exceeding one year from date of issue, to other than associated companies.

232 Accounts payable.

This account shall include all amounts payable by the utility within one year, which are not provided for in other accounts.

233 Notes payable to associated companies.

234 Accounts payable to associated companies.

These accounts shall include amounts owing to associated companies on notes, drafts, acceptances, or other similar evidences of indebtedness, and open accounts payable on demand or not more than one year from date of issue or creation.

NOTE: Exclude from these accounts notes and accounts which are includible in account 223, Advances from Associated Companies.

235 Customer deposits.

This account shall include all amounts deposited with the utility by customers as security for the payment of bills.

236 Taxes accrued.

A. This account shall be credited with the amount of taxes accrued during the accounting period, corresponding debits being made to the appropriate accounts for tax charges. Such credits may be based upon estimates, but from time to time during the year as the facts become known, the amount of the periodic credits shall be adjusted so as to include as nearly as can be determined in each year the taxes applicable thereto. Any amount representing a prepayment of taxes applicable to the period subsequent to the date of the balance sheet, shall be shown under account 165, Prepayments.

B. If accruals for taxes are found to be insufficient or excessive, correction therefor shall be made through current tax accruals. However, if such corrections are so large as to seriously distort current expenses, they shall be included in account 434, Miscellaneous Credits to Surplus, or account 435, Miscellaneous Debits to Surplus, as appropriate.

C. Accruals for taxes shall be based upon the net amounts payable after credit for any discounts, and shall not include any amounts for interest on tax deficiencies or refunds. Interest received on refunds shall be credited to account 419, Interest and Dividend Income, and interest paid on deficiencies shall be charged to account 431, Other Interest Expense.

D. The records supporting the entries to this account shall be kept so as to show for each class of taxes, the amount accrued, the basis for the accrual, the accounts to which charged, and the amount of tax paid.

237 Interest accrued.

This account shall include the amount of interest accrued but not matured on all liabilities of the utility not including, however, interest which is added to the principal of the debt on which incurred. Supporting records shall be maintained so as to show the amount of interest accrued on each obligation.

238 Dividends declared.

This account shall include the amount of dividends which have been declared but not paid. Dividends shall be credited to this account when they become a liability.

239 Matured long-term debt.

This account shall include the amount of long-term debt (including any obligation for premiums) matured and unpaid, without specific agreement for extension of the time of payment and bonds called for redemption but not presented.

240 Matured interest.

This account shall include the amount of matured interest on long-term debt or other obligations of the utility at the date of the balance sheet unless such interest is added to the principal of the debt on which incurred.

241 Tax collections payable.

This account shall include the amount of taxes collected by the utility through pay roll deductions or otherwise pending transmittal of such taxes to the proper taxing authority.

NOTE: Do not include liability for taxes assessed directly against the utility which are accounted for as part of the utility's own tax expense.

242 Miscellaneous current and accrued liabilities.

This account shall include the amount of all other current and accrued liabilities not provided for elsewhere apropriately designated and supported so as to show the nature of each liability.

8. DEFERRED CREDITS

251 Unamortized premium on debt.

This account shall include the total of the credit balances in the discount, expense and premium accounts, for all classes of long-term debt, including receivers' certificates. (See account, 181, Unamortized Debt Discount and Expense.)

252 Customer advances for construction.

This account shall include advances by customers for construction which are to be refunded either wholly or in part. When a customer is refunded the entire amount to which he is entitled according to the agreement or rule under which the advance was made, the balance, if any, remaining in this account shall be credited to account 271, Contributions in Aid of Construction.

253 Other deferred credits.

This account shall include advance billings and receipts and other deferred credit items, not provided for elsewhere, including amounts which cannot be entirely cleared or disposed of until additional information has been received.

9. OPERATING RESERVES

261 Property insurance reserve.

A. This account shall include amounts reserved by the utility for self-insurance against losses through accident, fire, flood, or other hazards to its own property or property leased from others. The amounts charged to account 924, Property Insurance, or other appropriate accounts to cover such risks shall be credited to this account. A schedule of risks

covered by this reserve shall be maintained, giving a description of the property involved, the character of the risks covered and the rates used.

B. Charges shall be made to this account for losses covered by self-insurance. Details of these charges shall be maintained according to the year the casualty occurred which gave rise to the loss.

262 Injuries and damages reserve.

A. This account shall be credited with amounts charged to account 925, Injuries and Damages, or other appropriate accounts, to meet the probable liability, not covered by insurance, for deaths or injuries to employees and others, and for damages to property neither owned nor held under lease by the utility.

B. When liability for any injury or damage is admitted by the utility either voluntarily or because of the decision of a court or other lawful authority, such as a workmen's compensation board, the admitted liability shall be charged to this account and credited to the appropriate liability account. Details of these charges shall be maintained according to the year the casualty occurred which gave rise to the loss.

NOTE: Recoveries or reimbursements for losses charged to this account shall be credited hereto; the cost of repairs to property of others if provided for herein, shall be charged to this account.

263 Pensions and benefits reserve.

A. This account shall include provisions made by the utility and amounts contributed by employees for pensions, accident and death benefits, savings, relief, hospital and other provident purposes, where the funds represented by the reserve are included in the assets of the utility either in general or in segregated fund accounts.

B. Amounts paid by the utility for the purposes for which this reserve is established shall be charged hereto.

C. A separate account shall be kept for each kind of reserve included herein.

NOTE: If employee pension or benefit plan funds are not included among the assets of the utility but are held by outside trustees, payments into such funds, or accruals therefor, shall not be included in this account.

264 Amortization reserve—Federal.

A. This account shall be credited with such amounts as are appropriated or set aside by a licensee from earnings for amortization purposes in accordance with the requirements of a license; also the interest derived from the "Amortization Fund—Federal," or income from investments belonging to such fund.

B. This account shall be debited with only such items or amounts as the Commission may require or approve. (See account 127 Amortization Fund—Federal.)

265 Miscellaneous operating reserves.

A. This account shall include all operating reserves maintained by the utility which are not provided for elsewhere.

B. This account shall be maintained in such manner as to show the amount of each separate reserve and the nature and amounts of the debits and credits thereto.

NOTE: This account includes only such reserves as may be created for operating purposes and does not include any reservations of income the credits for which should be carried in account 215, Appropriated Earned Surplus.

10. CONTRIBUTIONS IN AID OF CONSTRUCTION

271 Contributions in aid of construction.

A. This account shall include donations or contributions in cash, services, or property from states, municipalities or other governmental agencies, individuals, and others for construction purposes.

B. The credits to this account shall not be transferred to earned surplus or to any other account without the approval of the Commission.

C. The records supporting the entries to this account shall be so kept that the utility can furnish information as to the purpose of each donation, the conditions, if any, upon which it was made, the amount of donations from (a) States, (b) municipalities, (c) customers and (d) others, and the amount applicable to each utility department.

D. This account shall be subdivided as follows:

Contributions in Aid of Construction—General.

Contributions in Aid of Construction—Federal.

Contributions in Aid of Construction—General shall include all the donations to the various utility departments except those which are made in respect to a licensed project. Contributions in Aid of Construction—Federal shall be kept only by licensees. There shall be included therein donations from States, municipalities, individuals or others which have been expended for plant, or which are included in the plant accounts, of a licensed project, referred to in section 3, subsection (13) of the Federal Power Act, 49 Stat. 839; 16 U.S.C. 796(13). This treatment shall not affect the determination of actual legitimate original cost or net investment in accordance with the Act.

NOTE: There shall not be included in this account advances for construction which are ultimately to be repaid wholly or in part. (See account 252, Customer Advances for Construction.)

11. ACCUMULATED DEFERRED INCOME TAXES

Public utilities and licensees shall use the accounts provided below for prior accumulations of deferred taxes on income and for additional provisions. A copy of the order or other authorization to practice deferred tax accounting of the state public service commission also having jurisdiction shall be filed with the Commission, or, in the absence of a state public service commission having accounting jurisdiction, the public utility or licensee shall file with this Commission a copy of its plan of accounting for deferred taxes on income. The filing of such order or other authorization, or accounting plan, shall constitute permission for additional accumulations of deferred taxes on income. Account 283 is provided for use of those public utilities and licensees which have obtained permission of the Commission for specific types of deferrals on taxes on income other than with respect to accelerated amortization or liberalized depreciation.

NOTE A: The text of the accounts below are designed primarily to cover deferrals of federal income taxes pursuant to provisions of the Internal Revenue Code of 1954 but the accounts are also applicable to deferrals of State taxes on income.

NOTE B: Public Utilities and Licensees which, in addition to an electric utility department, have another utility department, gas, water, etc., and which have deferred taxes on income with respect thereto shall classify such deferrals in the accounts provided below under Subdivisions for each utility department.

281 Accumulated deferred income taxes—Accelerated amortization.

A. This account shall be credited and account 410, Provision for Deferred Income Taxes, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of accelerated (5-year) amortization of certified defense facilities in computing such taxes, as permitted by Section 168 of the Internal Revenue Code of 1954 (Section 124A of previous Internal Revenue Code), as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes according to the straight line or other nonaccelerated depreciation method and appropriate estimated useful life for such property.

B. This account shall be debited and account 411 Income Taxes Deferred in Prior Years—Credit, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of accelerated (5-year) amortization of certified defense facilities instead of nonaccelerated or nonliberalized depreciation otherwise appropriate for income tax purposes, and deferral of taxes in such prior years as described in paragraph A, above. Such debit to this account and credit to account 411 shall, in general, represent the effect on taxes payable for the current year of the unavailability of a depreciation deduction for tax purposes, or a reduced amount, with respect to any depreciable property for which accelerated amortization was used in prior years, as compared to the depreciation deduction otherwise available and appropriate for such property, considering its estimated useful life, according to the depreciation method ordinarily used by the utility for similar property in computing depreciation for tax purposes by a nonaccelerated or nonliberalized depreciation method.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the facilities of each certification or authorization of accelerated amortization for tax purposes.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy elects not to follow deferred tax accounting even though accelerated amortization is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any certified defense facility, the accounting shall not be suspended or discontinued on the property covered by that certificate, without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to surplus or make any use thereof except as provided in the text of this account without prior approval of the Commission. Any remaining balance of accumulated deferred taxes with respect to any certified defense facility for which deferred tax accounting has been followed, shall, upon expiration of the estimated useful life of the facility on which deferred tax calculations were based, or upon retirement of such facility or predominant part thereof, be credited to account 411, Income Taxes Deferred in Prior Years—Credit, or otherwise be applied as the Commission may authorize or direct.

282 Accumulated deferred income taxes—Liberalized depreciation.

A. This account shall be credited and account 410, Provision for Deferred Income Taxes, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of liberalized depreciation in computing such taxes, as permitted by Section 167 of the Internal Revenue Code of 1954, as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes for similar property of the same estimated useful life according to the straight line or other nonliberalized method of depreciation..

B. This account shall be debited and account 411, Income Taxes Deferred in Prior Years—Credit, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of liberalized depreciation for income tax purposes, and deferral of taxes in such prior years as described in paragraph A above. Such debit to this account and credit to account 411, shall, in general, represent the effect on taxes payable for the current year of the smaller amount of depreciation permitted for tax purposes for the current year with respect to any depreciable property for which liberalized depreciation was used in prior years, as compared to the depreciation deduction otherwise appropriate and available for similar property of the same estimated useful life according to the straight line or other nonliberalized depreciation method ordinarily used by the utility in computing depreciation for tax purposes.

C. Records with respect to entries to this account, as described above, and account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the plant additions of each vintage year for each class, group, or unit as to which different liberalized depreciation methods and estimated useful lives have been used. The underlying calculations to segregate and associate deferred tax amounts with the respective vintage years may be based on reasonable methods of approximation, if necessary, consistently applied.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy, elects not to follow deferred tax accounting even though liberalized depreciation is used in computing taxes on income. If however, deferred tax accounting is initiated with respect to any property such accounting shall not be discontinued on that property, without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in the account or any portion thereof to surplus or make any use thereof except as provided in the text of this account without prior approval of the Commission. Any remaining deferred tax balance with respect to any year's plant additions or subdivisions thereof for which liberalized depreciation accounting has been followed upon retirement from service of such property or predominant portion thereof, or upon expiration of the estimated useful life on which the depreciation calculations for tax purposes are based, shall be credited to account 411, Income Taxes Deferred in Prior Years—Credit, or otherwise applied as the Commission may authorize or direct.

283 Accumulated deferred income taxes—Other.

A. This account, when its use has been authorized by the Commission for specific types of tax deferrals shall be credited and account 410, Provision for Deferred Income Taxes, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the current use of deductions other than accelerated amortization or liberalized depreciation in the computation of income taxes, which deductions for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years.

B. This account, when its use has been authorized by the Commission, shall be debited and account 411, Income Taxes Deferred in Prior Years—Credit, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of deferral of taxes on income in previous years, as provided by paragraph A, above, because of difference in timing for tax purposes of particular income deductions from that recognized by the utility for general accounting purposes, other than with respect to accelerated amortization or liberalized depreciation. Such debit to this account and credit to account 411 shall, in general, represent the effect on taxes payable in the current year of the smaller deduction permitted for tax purposes as compared to the amount recognized in the utility's general accounts with respect to the item or class of items for which deferred tax accounting by the utility was authorized by the Commission.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation with respect to each annual amount of the item or class of items, other than accelerated amortization or liberalized depreciation, for which tax deferral accounting by the utility is authorized by the Commission.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in the account or any portion thereof to surplus or make any use thereof except as provided in the text of this account, without prior approval of the Commission. Any remaining deferred tax account balance with respect to an amount for any prior year's tax deferral, the amortization of which or other recognition in the utility's income accounts has been completed, or other disposition made, shall be credited to account 411, Income Taxes Deferred in Prior Years—Credit, or otherwise disposed of as the Commission may authorize or direct.

NOTE: In determining appropriate use of this account as a basis of request to the Commission for authorization of its use, consideration shall be given to the relative importance of the amount involved, and to other items in the utility's accounts where "prepaid tax accounting" may be appropriate such as situations (a) where the time of taking a deduction in computing taxes on income is such that the tax deduction must be delayed or applied to a series of future years as opposed to earlier recognition of such item in determination of income in the general accounts of the utility, or (b) where inclusion of an income item is required for tax purposes but is to be recognized in whole or in part in the utility's income accounts of a subsequent year or years.

Electric Plant Accounts

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Sec.
301 Organization.
302 Franchises and consents.
303 Miscellaneous intangible plant.

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314 Turbogenerator units.
315 Accessory electric equipment.
316 Miscellaneous power plant equipment.

B. NUCLEAR PRODUCTION

320 Land and land rights.
321 Structures and improvements.
322 Reactor plant equipment.
323 Turbogenerator units.
324 Accessory electric equipment.
325 Miscellaneous power plant equipment.

C. HYDRAULIC PRODUCTION

330 Land and land rights.
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332 Reservoirs, dams and waterways.
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350 Land and land rights.
351 Clearing land and rights of way.
352 Structures and improvements.
353 Station equipment.
354 Towers and fixtures.
355 Poles and fixtures.
356 Overhead conductors and devices.
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358 Underground conductors and devices.
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360 Land and land rights.
361 Structures and improvements.
362 Station equipment.
363 Storage battery equipment.
364 Poles, towers and fixtures.
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367 Underground conductors and devices.
368 Line transformers.
369 Services.
370 Meters.
371 Installations on customers' premises.
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5. GENERAL PLANT

389 Land and land rights.
390 Structures and improvements.
391 Office furniture and equipment.
392 Transportation equipment.
393 Stores equipment.
394 Tools, shop and garage equipment.
395 Laboratory equipment.
396 Power operated equipment.
397 Communication equipment.
398 Miscellaneous equipment.
399 Other tangible property.

Electric Plant Accounts

1. INTANGIBLE PLANT

301 Organization.

This account shall include all fees paid to federal or state governments for the privilege of incorporation and expenditures incident to organizing the corporation, partnership, or other enterprise and putting it into readiness to do business.

ITEMS

1. Cost of obtaining certificates authorizing an enterprise to engage in the public-utility business.
2. Fees and expenses for incorporation.
3. Fees and expenses for mergers or consolidations.
4. Office expenses incident to organizing the utility.
5. Stock and minute books and corporate seal.

NOTE A: This account shall not include any discounts upon securities issued or assumed; nor shall it include any costs incident to negotiating loans, selling bonds or other evidences of debt or expenses in connection with the authorization, issuance or sale of capital stock.

NOTE B: Exclude from this account and include in the appropriate expense account the cost of preparing and filing papers in connection with the extension of the term of incorporation unless the first organization costs have been written off. When charges are made to this account for expenses incurred in mergers, consolidations, or reorganizations, amounts previously included herein or in similar accounts in the books of the companies concerned shall be excluded from this account.

302 Franchises and consents.

A. This account shall include amounts paid to the federal government, to a state or to a political subdivision thereof in consideration for franchises, consents, water power licenses, or certificates, running in perpetuity or for a specified term of more than one year, together with necessary and reasonable expenses incident to procuring such franchises, consents, water power licenses, or certificates of permission and approval, including expenses of organizing and merging separate corporations, where statutes require, solely for the purpose of acquiring franchises.

B. If a franchise, consent, water power license or certificate is acquired by assignment, the charge to this account in respect thereof shall not exceed the amount paid therefor by the utility to the assignor, nor shall it exceed the amount paid by the original grantee, plus the expense of acquisition to such grantee. Any excess of the amount actually paid by the utility over the amount above specified shall be charged to account 435, Miscellaneous Debits to Surplus.

C. When any franchise has expired, the book cost thereof shall be credited hereto and charged to account 435, Miscellaneous Debits to Surplus, or to account 111, Accumulated Provision for Amortization of Electric Plant in Service, as appropriate.

D. Records supporting this account shall be kept so as to show separately the book cost of each franchise or consent.

NOTE: Annual or other periodic payments under franchises shall not be included herein but in the appropriate operating expense account.

303 Miscellaneous intangible plant.

A. This account shall include the cost of patent rights, licenses, privileges, and other intangible property necessary or valuable in the conduct of utility operations and not specifically chargeable to any other account.

B. When any item included in this account is retired or expires, the book cost thereof shall be credited hereto and charged to account 435, Miscellaneous Debits to Surplus, or account 111, Accumulated Provision for Amortization of Electric Plant in Service, as appropriate.

C. This account shall be maintained in such a manner that the utility can furnish full information with respect to the amounts included herein.

2. PRODUCTION PLANT

A. STEAM PRODUCTION

310 Land and land rights.

This account shall include the cost of land and land rights used in connection with steam-power generation. (See electric plant instruction 7.)

311 Structures and improvements.

This account shall include the cost in place of structures and improvements used in connection with steam-power generation. (See electric plant instruction 8.)

NOTE: Include steam production roads and railroads in this account.

312 Boiler plant equipment.

This account shall include the cost installed of furnaces, boilers, coal and ash handling and coal preparing equipment, steam and feed water piping, boiler apparatus and accessories used in the production of steam, mercury, or other vapor, to be used primarily for generating electricity.

ITEMS

1. Ash handling equipment, including hoppers, gates, cars, conveyors, hoists, sluicing equipment, including pumps and motors, sluicing water pipe and fittings, sluicing trenches and accessories, etc., except sluices which are a part of a building.
2. Boiler feed system, including feed water heaters, evaporator condensers, heater drain pumps, heater drainers, deaerators, and vent condensers, boiler feed pumps, surge tanks, feed water regulators, feed water measuring equipment, and all associated drives.
3. Boiler plant cranes and hoists and associated drives.
4. Boilers and equipment, including boilers and baffles, economizers, superheaters, soot blowers, foundations and settings, water walls, arches, grates, insulation, blowdown system, drying out of new boilers, also associated motors or other power equipment.
5. Breeching and accessories, including breeching, dampers, soot spouts, hoppers and gates, cinder eliminators, breeching insulation, soot blowers and associated motors.
6. Coal handling and storage equipment, including coal towers, coal lorries, coal cars, locomotives and tracks when devoted principally to the transportation of coal, hoppers, downtakes, unloading and hoisting equipment, skip hoists and conveyors, weighing equipment, magnetic separators, cable ways, housings and supports for coal handling equipment.
7. Draft equipment, including air preheaters and accessories, induced and forced draft fans, air ducts, combustion control mechanisms, and associated motors or other power equipment.
8. Gas-burning equipment, including holders, burner equipment and piping, control equipment, etc.
9. Instruments and devices, including all measuring, indicating, and recording equipment for boiler plant service together with mountings and supports.
10. Lighting systems.
11. Oil-burning equipment, including tanks, heaters, pumps with drive, burner equipment and piping, control equipment, etc.
12. Pulverized fuel equipment, including pulverizers, accessory motors, primary air fans, cyclones and ducts, dryers, pulverized fuel bins, pulverized fuel conveyors and equipment, burners, burner piping, priming equipment, air compressors, motors, etc.
13. Stacks, including foundations and supports, stack steel and ladders, stack brick work, stack concrete, stack lining, stack painting (first), when set on separate foundations, independent of substructure or superstructure of building.
14. Station piping, including pipe, valves, fittings, separators, traps, desuperheaters, hangers, excavation, covering, etc., for station piping system, including all steam, condensate, boiler feed and water supply piping, etc., but not condensing water, plumbing, building heating, oil, gas, air piping or piping specifically provided for in account 313.

utility business.

15. Stoker or equivalent feeding equipment, including stokers and accessory motors, clinker grinders, fans and motors, etc.
16. Ventilating equipment.
17. Water purification equipment, including softeners and accessories, evaporators and accessories, heat exchangers, filters, tanks for filtered or softened water, pumps, motors, etc.
18. Water-supply systems, including pumps, motors, strainers, raw-water storage tanks, boiler wash pumps, intake and discharge pipes and tunnels not a part of a building.
19. Wood fuel equipment, including hoppers, fuel hogs and accessories, elevators and conveyors, bins and gates, spouts, measuring equipment and associated drives.

NOTE: When the system for supplying boiler or condenser water is elaborate, as when it includes a dam, reservoir, canal, pipe line, cooling ponds, or where gas or oil is used as a fuel for producing steam and is supplied through a pipe line system owned by the utility, the cost of such special facilities shall be charged to a subdivision of account 311, Structures and Improvements.

313 Engines and engine-driven generators.

This account shall include the cost installed of steam engines, reciprocating or rotary, and their associated auxiliaries; and engine-driven main generators, except turbogenerator units.

ITEMS

1. Air cleaning and cooling apparatus, including blowers, drive equipment, air ducts not a part of building, louvers, pumps, hoods, etc.
2. Belting, shafting, pulleys, reduction gearing, etc.
3. Circulating pumps, including connections between condensers and intake and discharge tunnels.
4. Cooling system, including towers, pumps, tank, and piping.
5. Condensers, including condensate pumps, air and vacuum pumps, ejectors, unloading valves and vacuum breakers, expansion devices, screens, etc.
6. Cranes, hoists, etc., including items wholly identified with items listed herein.
7. Engines, reciprocating or rotary.
8. Fire-extinguishing systems.
9. Foundations and settings, especially constructed for and not expected to outlast the apparatus for which provided.
10. Generators—Main, a.c. or d.c., including field rheostats and connections for self-excited units, and excitation systems when identified with the generating unit.
11. Governors.
12. Lighting systems.
13. Lubricating systems, including gauges, filters, tanks, pumps, piping, motors, etc.
14. Mechanical meters, including gauges, recording instruments, sampling and testing equipment.
15. Piping—main exhaust, including connections between generator and condenser and between condenser and hotwell.
16. Piping—main steam, including connections from main throttle valve to turbine inlet.
17. Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein.
18. Pressure oil system, including accumulators, pumps, piping, motors, etc.
19. Throttle and inlet valve.
20. Tunnels, intake and discharge, for condenser system, when not a part of a structure.
21. Water screens, motors, etc.

314 Turbogenerator units.

This account shall include the cost installed of main turbine-driven units and accessory equipment used in generating electricity by steam.

ITEMS

1. Air cleaning and cooling apparatus, including blowers, drive equipment, air ducts not a part of building, louvers, pumps, hoods, etc.
2. Circulating pumps, including connections between condensers and intake and discharge tunnels.
3. Condensers, including condensate pumps, air and vacuum pumps, ejectors, unloading valves and vacuum breakers, expansion devices, screens, etc.
4. Generator hydrogen, gas piping and detrainment equipment.
5. Cooling system, including towers, pumps, tanks, and piping.
6. Cranes, hoists, etc., including items wholly identified with items listed herein.
7. Excitation system, when identified with main generating units.
8. Fire-extinguishing systems.
9. Foundations and settings, especially constructed for and not expected to outlast the apparatus for which provided.
10. Governors.
11. Lighting systems.
12. Lubricating systems, including gauges, filters, water separators, tanks, pumps, piping, motors, etc.
13. Mechanical meters, including gauges, recording instruments, sampling and testing equipment.
14. Piping—main exhaust, including connections between turbogenerator and condenser and between condenser and hotwell.
15. Piping—main steam, including connections from main throttle valve to turbine inlet.
16. Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein.
17. Pressure oil systems, including accumulators, pumps, piping, motors, etc.
18. Steelwork, specially constructed for apparatus listed herein.
19. Throttle and inlet valve.
20. Tunnels, intake and discharge, for condenser system, when not a part of structure, water screens, etc.
21. Turbogenerators—main, including turbine and generator, field rheostats and electric connections for self-excited units.
22. Water screens, motors, etc.
23. Moisture separator for turbine steam.
24. Turbine lubricating oil (initial charge).

315 Accessory electric equipment.

This account shall include the cost installed of auxiliary generating apparatus, conversion equipment, and equipment used primarily in connection with the control and switching of electric energy produced by steam power, and the protection of electric circuits and equipment, except electric motors used to drive equipment included in other accounts. Such motors shall be included in the account in which the equipment with which they are associated is included.

ITEMS

1. Auxiliary generators, including boards, compartments, switching equipment, control equipment, and connections to auxiliary power bus.
2. Excitation system, including motor, turbine and dual-drive exciter sets and rheostats, storage batteries and charging equipment, circuit breakers, panels and accessories, knife switches and accessories, surge arresters, instrument shunts, conductors and conduit, special supports for conduit, generator field and exciter switch panels, exciter bus tie panels, generator and exciter rheostats, etc., special housing, protective screens, etc.
3. Generator main connections, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, current transformers, potential transformers, protective relays, isolated panels and equipment, conductors and conduit, special supports for generator main leads, grounding switch, etc., special housings, protective screens, etc.
4. Station buses including main, auxiliary, transfer, synchronizing and fault ground buses, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, reactors and accessories, voltage regulators and accessories, compensators, resistors, starting transformers, current transformers, potential transformers, protective relays, storage batteries and charging equipment, isolated panels and equipment, conductors and conduit, special supports, special housings, concrete pads, general station grounding system, special fire-extinguishing system, and test equipment.
5. Station control system, including station switchboards with panel wiring, panels with instruments and control equipment only, panels with switching equipment mounted or mechanically connected, truck-type boards complete, cubicles, station supervisory control boards, generator and exciter signal stands, temperature recording devices, frequency-control equipment, master clocks, watt-hour meters and synchronoscope in the turbine room, station totalizing wattmeter, boiler-room load indicator equipment, storage batteries, panels and charging sets, instrument transformers for supervisory metering, conductors and conduit, special supports for conduit, switchboards, batteries, special housing for batteries, protective screens, doors, etc.

NOTE A: Do not include in this account transformers and other equipment used for changing the voltage or frequency of electricity for the purposes of transmission or distribution.

NOTE B: When any item of equipment listed herein is used wholly to furnish power to equipment included in another account, its cost shall be included in such other account.

316 Miscellaneous power plant equipment.

This account shall include the cost installed of miscellaneous equipment in and about the steam generating plant devoted to general station use, and which is not properly includible in any of the foregoing steam-power production accounts.

ITEMS

1. Compressed air and vacuum cleaning systems, including tanks, compressors, exhausters, air filters, piping, etc.
2. Cranes and hoisting equipment, including cranes, cars, crane rails, monorails, hoists, etc., with electric and mechanical connections.
3. Fire-extinguishing equipment for general station use.
4. Foundations and settings specially constructed for and not expected to outlast the apparatus for which provided.
5. Locomotive cranes not includible elsewhere.
6. Locomotives not includible elsewhere.
7. Marine equipment, including boats, barges, etc.
8. Miscellaneous belts, pulleys, countershafts, etc.
9. Miscellaneous equipment, including atmospheric and weather indicating devices, intrasite communication equipment, laboratory equipment, signal systems, callophones, emergency whistles and sirens, fire alarms, insect-control equipment, and other similar equipment.
10. Railway cars not includible elsewhere.

11. Refrigerating systems, including compressors, pumps, cooling coils, etc.
12. Station maintenance equipment, including lathes, shapers, planers, drill presses, hydraulic presses, grinders, etc., with motors, shafting, hangers, pulleys, etc.
13. Ventilating equipment, including items wholly identified with apparatus listed herein.

NOTE: When any item of equipment listed herein is wholly used in connection with equipment included in another account, its cost shall be included in such other account.

B. NUCLEAR PRODUCTION

320 Land and land rights.

This account shall include the cost of land and land rights used in connection with nuclear power generation. (See electric plant instruction 7.)

321. Structures and improvements.

This account shall include the cost in place of structures and improvements used and useful in connection with nuclear power generation. (See electric plant instruction 8.)

NOTE: Include vapor containers and nuclear production roads and railroads in this account.

322 Reactor plant equipment.

This account shall include the installed cost of reactors, reactor fuel handling and storage equipment, pressurizing equipment, coolant charging equipment, purification and discharging equipment, radioactive waste treatment and disposal equipment, boilers, steam and feed water piping, reactor and boiler apparatus and accessories and other reactor plant equipment used in the production of steam to be used primarily for generating electricity, including auxiliary superheat boilers and associated equipment in systems which change temperatures or pressure of steam from the reactor system.

ITEMS

1. Auxiliary superheat boilers and associated fuel storage handling preparation and burning equipment, etc. (See account 312, Boiler Plant Equipment, for items, but exclude water supply, water flow lines, and steam lines, as well as other equipment not strictly within the superheat function.)
2. Boiler feed system, including feed water heaters, evaporator condensers, heater drain pumps, heater drainers, deaerators, and vent condensers, boiler feed pumps, surge tanks, feed water regulators, feed water measuring equipment, and all associated drivers.
3. Boilers and heat exchangers.
4. Instruments and devices, including all measuring, indicating, and recording equipment for reactor and boiler plant service together with mountings and supports.
5. Lighting systems.
6. Moderators, such as hedvy water, graphite, etc., initial charge.
7. Reactor coolant; primary and secondary systems (initial charge).
8. Radioactive waste treatment and disposal equipment, including tanks, ion exchangers, incinerators, condensers, chimneys, and diluting fans and pumps.
9. Foundations and settings, especially constructed for and not expected to outlast the apparatus for which provided.
10. Reactor including shielding, control rods and mechanisms.
11. Reactor fuel handling equipment, including manipulating and extraction tools, underwater viewing equipment, seal cutting and welding equipment, fuel transfer equipment and fuel disassembly machinery.
12. Reactor fuel element failure detection system.
13. Reactor emergency poison container and injection system.
14. Reactor pressurizing and pressure relief equipment, including pressurizing tanks and immersion heaters.
15. Reactor coolant or moderator circulation charging, purification, and discharging equipment, including tanks, pumps, heat exchangers, demineralizers, and storage.
16. Station piping, including pipes, valves, fittings, separators, traps, desuperheaters, hangers, excavation, covering, etc., for station piping system, including all-reactor coolant, steam, condensate, boiler feed and water supply piping, etc., but not condensing water, plumbing, building heating, oil, gas, or air piping.
17. Ventilating equipment.
18. Water purification equipment, including softeners, demineralizers, and accessories, evaporators and accessories, heat exchangers, filters, tanks for filtered or softened water, pumps, motors, etc.
19. Water supply systems, including pumps, motors, strainers, raw-water storage tanks, boiler wash pumps, intake and discharge pipes and tunnels not a part of a building.
20. Reactor plant cranes and hoists, and associated drives.

NOTE: When the system for supplying boiler or condenser water is elaborate, as when it includes a dam, reservoir, canal, pipe lines, or cooling ponds, the cost of such special facilities shall be charged to a subdivision of account 321, Structures and Improvements.

323 Turbogenerator units.

This account shall include the cost installed of main turbine-driven units and accessory equipment used in generating electricity by steam.

ITEMS

1. Air cleaning and cooling apparatus, including blowers, drive equipment, air ducts not a part of building, louvers, pumps, hoods, etc.
2. Circulating pumps, including connections between condensers, and intake and discharge tunnels.
3. Condensers, including condensate pumps, air and vacuum pumps ejectors, unloading valves and vacuum breakers, expansion devices, screens, etc.
4. Generator hydrogen gas piping system and hydrogen detrainment equipment, and bulk hydrogen gas storage equipment.
5. Cooling system, including towers, pumps, tanks and piping.
6. Cranes, hoists, etc., including items wholly identified with items listed herein.
7. Excitation system, when identified with main generating units.
8. Fire extinguishing systems.
9. Foundations and settings, especially constructed for and not expected to outlast the apparatus for which provided.
10. Governors.
11. Lighting systems.
12. Lubricating systems, including gauges, filters, water separators, tanks, pumps, piping, motors, etc.
13. Mechanical meters, including gauges, recording instruments, sampling and testing equipment.
14. Piping—main exhaust, including connections between turbogenerator and condenser and between condenser and hotwell.
15. Piping—main steam, including connections from main throttle valve to turbine inlet.
16. Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein.
17. Pressure oil systems, including accumulators, pumps, piping, motors, etc.
18. Steelwork, specially constructed for apparatus listed herein.
19. Throttle and inlet valve.
20. Tunnels, intake and discharge, for condenser system, when not a part of structure, water screens, etc.
21. Turbogenerators—main, including turbine and generator, field rheostats and electric connections for self-excited units.
22. Water screens, motors, etc.
23. Moisture separators for turbine steam.
24. Turbine lubricating oil (initial charge).

324 Accessory electric equipment.

This account shall include the cost installed of auxiliary generating apparatus, conversion equipment, and equipment used primarily in connection with the control and switching of electric energy produced by nuclear power, and the protection of electric circuits and equipment, except electric motors used to drive equipment included in other accounts. Such motors shall be included in the account in which the equipment with which they are associated is included.

NOTE: Do not include in this account transformers and other equipment used for changing the voltage or frequency of electric energy for the purpose of transmission or distribution.

ITEMS

1. Auxiliary generators, including boards, compartments, switching equipment, control equipment, and connections to auxiliary power bus.
2. Excitation system, including motor, turbine and dual-drive exciter sets and rheostats, storage batteries and charging equipment, circuit breakers, panels and accessories, knife switches and accessories, surge arresters, instrument shunts, conductors and conduit, special supports for conduit, generator field and exciter switch panels, exciter bus tie panels, generator and exciter rheostats, etc., special housing, protective screens, etc.
3. Generator main connections, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, current transformers, potential transformers, protective relays, isolated panels and equipment, conductors and conduit, special supports for generator main leads, grounding switch, etc., special housings, protective screens, etc.
4. Station buses, including main, auxiliary, transfer, synchronizing and fault ground buses, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, reactors and accessories, voltage regulators and accessories, compensators, resistors, starting transformers, current transformers, potential transformers, protective relays, storage batteries and charging equipment, isolated panels and equipment, conductors and conduit, special supports, special housings, concrete pads, general station grounding system, fire-extinguishing system, and test equipment.
5. Station control system, including station switchboards with panel wiring, panels with instruments and control equipment only, panels with switching equipment mounted or mechanically connected, truck-type boards complete, cubicles, station supervisory control boards, generator and exciter signal stands, temperature recording devices, frequency-control equipment, master clocks, watt-hour meters and synchronoscope in the turbine room, station totalizing wattmeter, boiler-room load indicator equipment, storage batteries, panels and charging sets, instrument transformers for supervisory metering, conductors and conduit, special supports for conduit, switchboards, batteries, special housing for batteries, protective screens, doors, etc.

NOTE: When any item of equipment listed herein is used wholly to furnish power to equipment included in another account, its cost shall be included in such other account.

325 Miscellaneous power plant equipment.

This account shall include the cost installed of miscellaneous equipment in and about the nuclear generating plant devoted to general station use, and which is not properly includible in any of the foregoing nuclear-power production accounts.

ITEMS

1. Compressed air and vacuum cleaning systems, including tanks, compressors, exhausters, air filters, piping, etc.
2. Cranes and hoisting equipment, including cranes, cars, crane rails, monorails, hoists, etc., with electric and mechanical connections.
3. Fire-extinguishing equipment for general station and site use.
4. Foundations and settings specially constructed for and not expected to outlast the apparatus for which provided.
5. Locomotive cranes not includible elsewhere.
6. Locomotives not included elsewhere.
7. Marine equipment, including boats, barges, etc.
8. Miscellaneous belts, pulleys, countershafts, etc.
9. Miscellaneous equipment, including atmospheric and weather recording devices, intrasite communication equipment, laboratory equipment, signal systems, callophones, emergency whistles and sirens, fire alarms, insect-control equipment, and other similar equipment.
10. Railway cars or special shipping containers not includible elsewhere.
11. Refrigerating systems, including compressors, pumps, cooling coils, etc.
12. Station maintenance equipment, including lathes, shapers, planers, drill presses, hydraulic presses, grinders, etc., with motors, shafting, hangers, pulleys, etc.
13. Ventilating equipment, including items wholly identified with apparatus listed herein.
14. Station and area radiation monitoring equipment.

NOTE: When any item of equipment listed herein is wholly used in connection with equipment included in another account, its cost shall be included in such other account.

C. HYDRAULIC PRODUCTION

330 Land and land rights.

This account shall include the cost of land and land rights used in connection with hydraulic power generation. (See electric plant instruction 7.)

331 Structures and improvements.

This account shall include the cost in place of structures and improvements used in connection with hydraulic power generation. (See electric plant instruction 8.)

332 Reservoirs, dams and waterways.

This account shall include the cost in place of facilities used for impounding, collecting, storage, diversion, regulation, and delivery of water used primarily for generating electricity.

ITEMS

1. Bridges and culverts (when not a part of roads or railroads).
2. Clearing and preparing land.
3. Dams, including wasteways, spillways, flash boards, spillway gates with operating and control mechanisms, tunnels, gate houses, and fish ladders.
4. Dikes and embankments.
5. Electric system, including conductors, control system, transformers, lighting fixtures, etc.
6. Excavation, including shoring, bracing, bridging, refill, and disposal of excess excavated material.
7. Foundations and settings specially constructed for and not expected to outlast the apparatus for which provided.
8. Intakes, including trash racks, rack cleaners, control gates and valves with operating mechanisms, and intake house when not a part of station structure.
9. Platforms, railings, steps, gratings, etc., appurtenant to structures listed herein.
10. Power line wholly identified with items included herein.
11. Retaining walls.
12. Water conductors and accessories, including canals, tunnels, flumes, penstocks, pipe conductors, forebays, tailraces, navigation locks and operating mechanisms, waterhammer and surge tanks, and supporting trestles and structures.
13. Water storage reservoirs, including dams, flashboards, spillway gates and operating mechanisms, inlet and outlet tunnels, regulating valves and valve towers, silt and mud sluicing tunnels with valve or gate towers, and all other structures wholly identified with any of the foregoing items.

333 Water wheels, turbines and generators.

This account shall include the cost installed of water wheels and hydraulic turbines (from connection with penstock or flume to tailrace) and generators driven thereby devoted to the production of electricity by water power or for the production of power for industrial or other purposes, if the equipment used for such purposes is a part of the hydraulic power plant works.

ITEMS

1. Exciter water wheels and turbines, including runners, gates, governors, pressure regulators, oil pumps, operating mechanisms, scroll cases, draft tubes, and draft-tube supports.
2. Fire-extinguishing equipment.
3. Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided.
4. Generator cooling system, including air cooling and washing apparatus, air fans and accessories, air ducts, etc.
5. Generators—main, a.c. or d.c., including field rheostats and connections for self-excited units and excitation system when identified with the generating unit.
6. Lighting systems.
7. Lubricating systems, including gauges, filters, tanks, pumps, piping, etc.
8. Main penstock valves and appurtenances, including main valves, control equipment, bypass valves and fittings, and other accessories.
9. Main turbines and water wheels, including runners, gates, governors, pressure regulators, oil pumps, operating mechanisms, scroll cases, draft tubes, and draft-tube supports.
10. Mechanical meters and recording instruments.
11. Miscellaneous water-wheel equipment, including gauges, thermometers, meters, and other instruments.
12. Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein.
13. Scroll case filling and drain system, including gates, pipe, valves, fittings, etc.
14. Water-actuated pressure-regulator system, including tanks and housings, pipes, valves, fittings and insulations, piers and anchorage, and excavation and backfill.

334 Accessory electric equipment.

This account shall include the cost installed of auxiliary generating apparatus, conversion equipment, and equipment used primarily in connection with the control and switching of electric energy produced by hydraulic power and the protection of electric circuits and equipment, except electric motors used to drive equipment included in other accounts, such motors being included in the account in which the equipment with which they are associated is included.

ITEMS

1. Auxiliary generators, including boards, compartments, switching equipment, control equipment, and connections to auxiliary power bus.
2. Excitation system, including motor, turbine, and dual-drive exciter sets and rheostats, storage batteries and charging equipment, circuit breakers, panels and accessories, knife switches and accessories, surge arresters, instrument shunts, conductors and conduit, special supports for conduit, generator field and exciter switch panels, exciter bus tie panels, generator and exciter rheostats, etc., special housings, protective screens, etc.
3. Generator main connections, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, current transformers, potential transformers, protective relays, isolated panels and equipment, conductors and conduit, special supports for generator main leads, grounding switch, etc., special housings, protective screens, etc.
4. Station buses, including main, auxiliary, transfer, synchronizing, and fault ground buses, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, reactors and accessories, voltage regulators and accessories, compensators, resistors starting transformers, current transformers, potential transformers, protective relays, storage batteries, and charging equipment, isolated panels and equipment, conductors and conduit, special supports, special fire-extinguishing system, and test equipment.
5. Station control system, including station switchboards with panel wiring, panels with instruments and control equipment only, panels with switching equipment mounted or mechanically connected, truck-type boards complete, cubicles, station supervisory control devices, frequency control equipment, master clocks, watt-hour meter, station totalizing watt-meter, storage batteries, panels and charging sets, instrument transformers for supervisory metering, conductors and conduit, special supports for conduit, switchboards, batteries, special housings for batteries, protective screens, doors, etc.

NOTE A: Do not include in this account transformers and other equipment used for changing the voltage or frequency of electricity for the purpose of transmission or distribution.

NOTE B: When any item of equipment listed herein is used wholly to furnish power to equipment, it shall be included in such equipment account.

335 Miscellaneous power plant equipment.

This account shall include the cost installed of miscellaneous equipment in and about the hydroelectric generating plant which is devoted to general station use and is not properly includible in other hydraulic production accounts.

ITEMS

1. Compressed air and vacuum cleaning systems, including tanks, compressors, exhausters, air filters, piping, etc.
2. Cranes and hoisting equipment, including cranes, cars, crane rails, monorails, hoists, etc., with electric and mechanical connections.
3. Fire-extinguishing equipment for general station use.
4. Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided.
5. Locomotive cranes not includible elsewhere.
6. Locomotives not includible elsewhere.
7. Marine equipment, including boats, barges, etc.
8. Miscellaneous belts, pulleys, countershafts, etc.
9. Miscellaneous equipment, including atmospheric and weather indicating devices, intrasite communication equipment, laboratory equipment, insect control equipment, signal systems, callophones, emergency whistles and sirens, fire alarms, and other similar equipment.
10. Railway cars, not includible elsewhere.
11. Refrigerating system, including compressors, pumps, cooling coils, etc.
12. Station maintenance equipment, including lathes, shapers, planers, drill presses, hydraulic presses, grinders, etc., with motors, shafting, hangers, pulleys, etc.
13. Ventilating equipment, including items wholly identified with apparatus listed herein.

NOTE: When any item of equipment, listed herein is used wholly in connection with equipment included in another account, its cost shall be included in such other account.

336 Roads, railroads and bridges.

This account shall include the cost of roads, railroads, trails, bridges, and trestles used primarily as production facilities. It includes also those roads, etc., necessary to connect the plant with highway transportation systems, except when such roads are dedicated to public use and maintained by public authorities.

ITEMS

1. Bridges, including foundations, piers, girders, trusses, flooring, etc.
2. Clearing land.
3. Railroads, including grading, ballast, ties, rails, culverts, hoists, etc.
4. Roads, including grading, surfacing, culverts, etc.
5. Structures, constructed and maintained in connection with items listed herein.
6. Trails, including grading, surfacing, culverts, etc.
7. Trestles, including foundations, piers, girders, trusses, flooring, etc.

NOTE A: Roads intended primarily for connecting employees' houses with the power plant shall not be included herein but in account 331, Structures and Improvements.

NOTE B: The cost of temporary roads, bridges, etc., necessary during the period of construction but abandoned or dedicated to public use upon completion of the plant, shall not be included herein but shall be charged to the accounts appropriate for the construction.

D. OTHER PRODUCTION

340 Land and land rights.

This account shall include the cost of land and land rights used in connection with other power generation. (See electric plant instruction 7.)

341 Structures and improvements.

This account shall include the cost in place of structures and improvements used in connection with other power generation. (See electric plant instruction 8.)

342 Fuel holders, producers, and accessories.

This account shall include the cost installed of fuel handling and storage equipment used between the point of fuel delivery to the station and the intake pipe through which fuel is directly drawn to the engine, also the cost of gas producers and accessories devoted to the production of gas for use in prime movers driving main electric generators.

ITEMS

1. Blower and fans.
2. Boilers and pumps.
3. Economizers.
4. Exhauster outfits.
5. Flues and piping.
6. Pipe system.
7. Producers.
8. Regenerators.
9. Scrubbers.
10. Steam injectors.
11. Tanks for storage of oil, gasoline, etc.
12. Vaporizers.

343 Prime movers.

This account shall include the cost installed of Diesel or other prime movers devoted to the generation of electric energy, together with their auxiliaries.

ITEMS

1. Air-filtering system.
2. Belting, shafting, pulleys, reduction gearing, etc.
3. Cooling system, including towers, pumps, tanks, and piping.
4. Cranes, hoists, etc., including items wholly identified with apparatus listed herein.
5. Engines, Diesel, gasoline, gas, or other internal combustion.
6. Foundations and settings specially constructed for and not expected to outlast the apparatus for which provided.
7. Governors.
8. Ignition system.
9. Inlet valve.
10. Lighting systems.
11. Lubricating systems, including filters, tanks, pumps, and piping.
12. Mechanical meters, including gauges, recording instruments, sampling, and testing equipment.
13. Mufflers.
14. Piping.
15. Starting systems, compressed air, or other, including compressors and drives, tanks, piping, motors, boards and connections, storage tanks, etc.
16. Steelwork, specially constructed for apparatus listed herein.
17. Waste heat boilers, antifluctuators, etc.

344 Generators.

This account shall include the cost installed of Diesel or other power driven main generators.

ITEMS

1. Cranes, hoists, etc., including items wholly identified with such apparatus.
2. Fire-extinguishing equipment.
3. Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided.
4. Generator cooling system, including air cooling and washing apparatus, air fans and accessories, air ducts, etc.
5. Generators—main, a.c. or d.c., including field rheostats and connections for self-excited units and excitation system when identified with the generating unit.
6. Lighting systems.
7. Lubricating system, including tanks, filters, strainers, pumps, piping, coolers, etc.
8. Mechanical meters, and recording instruments.
9. Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein.

NOTE: If prime movers and generators are so integrated that it is not practical to classify them separately, the entire unit may be included in account 344, Generators.

345 Accessory electric equipment.

This account shall include the cost installed of auxiliary generating apparatus, conversion equipment, and equipment used primarily in connection with the control and switching of electric energy produced in other power generating stations, and the protection of electric circuits and equipment, except electric motors used to drive equipment included in other accounts. Such motors shall be included in the account in which the equipment with which it is associated is included.

ITEMS

1. Auxiliary generators, including boards, compartments, switching equipment, control equipment, and connections to auxiliary power bus.
2. Excitation system, including motor, turbine and dual-drive exciter sets and rheostats, storage batteries and charging equipment, circuit breakers, panels and accessories, knife switches and accessories, surge arresters, instrument shunts, conductors and conduit, special supports for conduit, generator field and exciter switch panels, exciter bus tie panels, generator and exciter rheostats, etc., special housings, protective screens, etc.
3. Generator main connections, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, current transformers, potential transformers, protective relays, isolated panels and equipment, conductors and conduit, special supports for generator main leads, grounding switch, etc., special housing, protective screens, etc.
4. Station control system, including station switchboards with panel wiring, panels with instruments and control equipment only, panels with switching equipment mounted or mechanically connected, trunk-type boards complete, cubicles, station supervisory control boards, generator and exciter signal stands, temperature-recording devices, frequency control equipment, master clocks, watt-hour meter, station totalizing wattmeter, storage batteries, panels and charging sets, instrument transformers for supervisory metering, conductors and conduit, special supports for conduit, switchboards, batteries, special housing for batteries, protective screens, doors, etc.
5. Station buses, including main, auxiliary, transfer, synchronizing and fault ground buses, including oil circuit breakers and accessories, disconnecting switches and accessories, operating mechanisms and interlocks, reactors and accessories, voltage regulators and accessories, compensators, resistors, starting transformers, current transformers, potential transformers, protective relays, storage batteries and charging equipment, isolated panels and equipment, conductors and conduit, special supports, special housings, concrete pads, general station ground system, special fire-extinguishing system, and test equipment.

NOTE A: Do not include in this account transformers and other equipment used for changing the voltage or frequency of elec-

tric energy for the purpose of transmission or distribution.

NOTE B: When any item of equipment listed herein is used wholly to furnish power to equipment included in another account, its cost shall be included in such other account.

346 Miscellaneous power plant equipment.

This account shall include the cost installed of miscellaneous equipment in and about the other power generating plant, devoted to general station use, and not properly includible in any of the foregoing other power production accounts.

ITEMS

1. Compressed air and vacuum cleaning systems, including tanks, compressors, exhausters, air filters, piping, etc.
2. Cranes and hoisting equipment, including cranes, cars, crane rails, monorails, hoists, etc., with electric and mechanical connections.
3. Fire-extinguishing equipment for general station use.
4. Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided.
5. Miscellaneous equipment, including atmospheric and weather indicating devices, intrasite communication equipment, laboratory equipment, signal systems, callophones, emergency whistles and sirens, fire alarms, and other similar equipment.
6. Miscellaneous belts, pulleys, countershafts, etc.
7. Refrigerating system including compressors, pumps, cooling coils, etc.
8. Station maintenance equipment, including lathes, shapers, planers, drill presses, hydraulic presses, grinders, etc., with motors, shafting, hangers, pulleys, etc.
9. Ventilating equipment, including items wholly identified with apparatus listed herein.

NOTE: When any item of equipment, listed herein is used wholly in connection with equipment included in another account, its cost shall be included in such other account.

3. TRANSMISSION PLANT

350 Land and land rights.

This account shall include the cost of land and land rights used in connection with transmission operations. (See electric plant instruction 7.)

351 Clearing land and rights of way.

This account shall include the cost of initial or original clearing of transmission land and rights of way.

NOTE: The cost of removing stumps, grading, excavating, etc., incident to the preparation of foundations for towers or other structures or to the construction of roads, trails, and bridges, shall not be included in this account but in the accounts directly benefited.

352 Structures and improvements.

This account shall include the cost in place of structures and improvements used in connection with transmission operations. (See electric plant instruction 8.)

353 Station equipment.

This account shall include the cost installed of transforming, conversion, and switching equipment used for the purpose of changing the characteristics of electricity in connection with its transmission or for controlling transmission circuits.

ITEMS

1. Bus compartments, concrete, brick, and sectional steel, including items permanently attached thereto.
2. Conduit, including concrete and iron duct runs not a part of a building.
3. Control equipment, including batteries, battery charging equipment, transformers, remote relay boards, and connections.
4. Conversion equipment, including transformers, indoor and outdoor, frequency changers, motor generator sets, rectifiers, synchronous converters, motors, cooling equipment, and associated connections.
5. Fences.
6. Fixed and synchronous condensers, including transformers, switching equipment, blowers, motors and connections.
7. Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided.
8. General station equipment, including air compressors, motors, hoists, cranes, test equipment, ventilating equipment, etc.
9. Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein.
10. Primary and secondary voltage connections, including bus runs and supports, insulators, potheads, lightning arresters, cable and wire runs from and to outdoor connections or to manholes and the associated regulators, reactors, resistors, surge arresters, and accessory equipment.
11. Switchboards, including meters, relays, control wiring, etc.
12. Switching equipment, indoor and outdoor, including oil circuit breakers and operating mechanisms, truck switches, and disconnect switches.
13. Tools and appliances.

354 Towers and fixtures.

This account shall include the cost installed of towers and appurtenant fixtures used for supporting overhead transmission conductors.

ITEMS

1. Anchors, guys, braces.
2. Brackets.
3. Crossarms, including braces.
4. Excavation, backfill, and disposal of excess excavated material.
5. Foundations.
6. Guards.
7. Insulator pins and suspension bolts.
8. Ladders and steps.
9. Railings, etc.
10. Towers.

355 Poles and fixtures.

This account shall include the cost installed of transmission line poles, wood, steel, concrete, or other material, together with appurtenant fixtures used for supporting overhead transmission conductors.

ITEMS

1. Anchors, head arm and other guys, including guy guards, guy clamps, strain insulators, pole plates, etc.
2. Brackets.
3. Crossarms and braces.
4. Excavation and backfill, including disposal of excess excavated material.
5. Extension arms.
6. Gaining, roofing, stenciling, and tagging.
7. Insulator pins and suspension bolts.
8. Paving.
9. Pole steps.
10. Poles, wood, steel, concrete, or other material.
11. Racks complete with insulators.
12. Reinforcing and stubbing.
13. Settings.
14. Shaving and painting.

356 Overhead conductors and devices.

This account shall include the cost installed of overhead conductors and devices used for transmission purposes.

ITEMS

1. Circuit breakers.
2. Conductors, including insulated and bare wires and cables.
3. Ground wires and ground clamps.
4. Insulators, including pin, suspension, and other types.
5. Lightning arresters.
6. Switches.
7. Other line devices.

357 Underground conduit.

This account shall include the cost installed of underground conduit and tunnels used for housing transmission cables or wires. (See electric plant instruction 14.)

ITEMS

1. Conduit, concrete, brick or tile, including iron pipe, fiber pipe, Murray duct, and standpipe on pole or tower.
2. Excavation, including shoring, bracing, bridging, backfill, and disposal of excess excavated material.
3. Foundations and settings specially constructed for and not expected to outlast the apparatus for which provided.
4. Lighting systems.
5. Manholes, concrete or brick, including iron or steel, frames and covers, hatchways, gratings, ladders, cable racks and hangers, etc., permanently attached to manholes.
6. Municipal inspection.
7. Pavement disturbed, including cutting and replacing pavement, pavement base and sidewalks.
8. Permits.
9. Protection of street openings.
10. Removal and relocation of subsurface obstructions.
11. Sewer connections, including drains, traps, tide valves, check valves, etc.
12. Sumps, including pumps.
13. Ventilating equipment.

358 Underground conductors and devices.

This account shall include the cost installed of underground conductors and devices used for transmission purposes.

ITEMS

1. Armored conductors, buried, including insulators, insulating materials, splices, potheads, trenching, etc.
2. Armored conductors, submarine, including insulators, insulating materials, splices in terminal chambers, potheads, etc.
3. Cables in standpipe, including pothead and connection from terminal chamber of manhole to insulators on pole.
4. Circuit breakers.
5. Fireproofing, in connection with any items listed herein.
6. Hollow-core oil-filled cable, including straight or stop joints, pressure tanks, auxiliary air tanks, feeding tanks, terminals, potheads and connections, ventilating equipment, etc.
7. Lead and fabric covered conductors, including insulators, compound filled, oil filled, or vacuum splices, potheads, etc.
8. Lightning arresters.
9. Municipal inspection.
10. Permits.
11. Protection of street openings.
12. Racking of cables.
13. Switches.
14. Other line devices.

359 Roads and trails.

This account shall include the cost of roads, trails, and bridges used primarily as transmission facilities.

ITEMS

1. Bridges, including foundation piers, girders, trusses, flooring, etc.
2. Clearing land.
3. Roads, including grading, surfacing, culverts, etc.
4. Structures, constructed and maintained in connection with items included herein.
5. Trails, including grading, surfacing, culverts, etc.

NOTE: The cost of temporary roads, bridges, etc., necessary during the period of construction but abandoned or dedicated to public use upon completion of the plant, shall be charged to the accounts appropriate for the construction.

4. DISTRIBUTION PLANT

360 Land and land rights.

This account shall include the cost of land and land rights used in connection with distribution operations. (See electric plant instruction 7.)

NOTE: Do not include in this account the cost of permits to erect poles, towers, etc., or to trim trees. (See account 364, Poles, Towers and Fixtures, and account 365, Overhead Conductors and Devices.)

361 Structures and improvements.

This account shall include the cost in place of structures and improvements used in connection with distribution operations. (See electric plant instruction 8.)

362 Station equipment.

This account shall include the cost installed of station equipment, including transformer banks, etc., which are used for the purpose of changing the characteristics of electricity in connection with its distribution.

ITEMS

1. Bus compartments, concrete, brick and sectional steel, including items permanently attached thereto.
2. Conduit, including concrete and iron duct runs not part of building.
3. Control equipment, including batteries, battery charging equipment, transformers, remote relay boards, and connections.
4. Conversion equipment, indoor and outdoor, frequency changers, motor generator sets, rectifiers, synchronous converters, motors, cooling equipment, and associated connections.
5. Fences.
6. Fixed and synchronous condensers, including transformers, switching equipment, blowers, motors, and connections.
7. Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided.
8. General station equipment, including air compressors, motors, hoists, cranes, test equipment, ventilating equipment, etc.
9. Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein.
10. Primary and secondary voltage connections, including bus runs and supports, insulators, potheads, lightning arresters, cable and wire runs from and to outdoor connections or to manholes and the associated regulators, reactors, resistors, surge arresters, and accessory equipment.
11. Switchboards, including meters, relays, control wiring, etc.
12. Switching equipment, indoor and outdoor, including oil circuit breakers and operating mechanisms, truck switches, disconnect switches.

NOTE: The cost of rectifiers, series transformers, and other special station equipment devoted exclusively to street lighting service shall not be included in this account, but in account 373, Street Lighting and Signal Systems.

363 Storage battery equipment.

This account shall include the cost installed of storage battery equipment used for the purpose of supplying electricity to meet emergency or peak demands.

ITEMS

1. Batteries, including elements, tanks, tank insulators, etc.
2. Battery room connections, including cable or bus runs and connections.
3. Battery room flooring, when specially laid for supporting batteries.
4. Charging equipment, including motor generator sets and other charging equipment and connections, and cable runs from generator or station bus to battery room connections.
5. Miscellaneous equipment, including instruments, water stills, etc.
6. Switching equipment, including end-cell switches and connections, boards and panels, used exclusively for battery control, not part of general station switchboard.
7. Ventilating equipment, including fans and motors, louvers, and ducts not part of building.

NOTE: Storage batteries used for control and general station purposes shall not be included in this account but in the account appropriate for their use.

364 Poles, towers and fixtures.

This account shall include the cost installed of poles, towers, and appurtenant fixtures used for supporting overhead distribution conductors and service wires.

ITEMS

1. Anchors, head arm, and other guys, including guy guards, guy clamps, strain insulators, pole plates, etc.
2. Brackets.
3. Crossarms and braces.
4. Excavation and backfill, including disposal of excess excavated material.
5. Extension arms.
6. Foundations.
7. Guards.
8. Insulator pins and suspension bolts.
9. Paving.
10. Permits for construction.
11. Pole steps and ladders.
12. Poles, wood, steel, concrete, or other material.
13. Racks complete with insulators.
14. Railings.
15. Reinforcing and stubbing.
16. Settings.
17. Shaving, painting, gaining, roofing, stenciling, and tagging.
18. Towers.
19. Transformer racks and platforms.

365 Overhead conductors and devices.

This account shall include the cost installed of overhead conductors and devices used for distribution purposes.

ITEMS

1. Circuit breakers.
2. Conductors, including insulated and bare wires and cables.
3. Ground wires, clamps, etc.
4. Insulators, including pin, suspension, and other types, and tie wire or clamps.
5. Lightning arresters.
6. Railroad and highway crossing guards.
7. Splices.
8. Switches.
9. Tree trimming, initial cost including the cost of permits therefor.
10. Other line devices.

NOTE: The cost of conductors used solely for street lighting or signal systems shall not be included in this account but in account 373, Street Lighting and Signal Systems.

366 Underground conduit.

This account shall include the cost installed of underground conduit and tunnels used for housing distribution cables or wires.

ITEMS

1. Conduit, concrete, brick and tile, including iron pipe, fiber pipe, Murray duct, and standpipe on pole or tower.
2. Excavation, including shoring, bracing, bridging, backfill, and disposal of excess excavated material.
3. Foundations and settings specially constructed for and not expected to outlast the apparatus for which constructed.
4. Lighting systems.
5. Manholes, concrete or brick, including iron or steel frames and covers, hatchways, gratings, ladders, cable racks and hangers, etc., permanently attached to manholes.
6. Municipal inspection.
7. Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks.
8. Permits.
9. Protection of street openings.
10. Removal and relocation of subsurface obstructions.
11. Sewer connections, including drains, traps, tide valves, check valves, etc.
12. Sumps, including pumps.
13. Ventilating equipment.

NOTE: The cost of underground conduit used solely for street lighting or signal systems shall be included in account 373, Street Lighting and Signal Systems.

367 Underground conductors and devices.

This account shall include the cost installed of underground conductors and devices used for distribution purposes.

ITEMS

1. Armored conductors, buried, including insulators, insulating materials, splices, potheads, trenching, etc.
2. Armored conductors, submarine, including insulators, insulating materials, splices in terminal chamber, potheads, etc.
3. Cables in standpipe, including pothead and connection from terminal chamber or manhole to insulators on pole.
4. Circuit breakers.
5. Fireproofing, in connection with any items listed herein.
6. Hollow-core oil-filled cable, including straight or stop joints, pressure tanks, auxiliary air tanks, feeding tanks, terminals, potheads and connections, etc.
7. Lead and fabric covered conductors, including insulators, compound-filled, oil-filled or vacuum splices, potheads, etc.
8. Lightning arresters.
9. Municipal inspection.
10. Permits.
11. Protection of street openings.
12. Racking of cables.
13. Switches.
14. Other line devices.

NOTE: The cost of underground conductors and devices used solely for street lighting or signal systems shall be included in account 373, Street Lighting and Signal Systems.

368 Line transformers.

A. This account shall include the cost installed of overhead and underground distribution line transformers and pole-type and underground voltage regulators owned by the utility, for use in trans-

forming electricity to the voltage at which it is to be used by the customer, whether actually in service or held in reserve.

B. When a transformer is permanently retired from service, the original installed cost thereof shall be credited to this account.

C. The records covering line transformers shall be so kept that the utility can furnish the number of transformers of various capacities in service and those in reserve, and the location and the use of each transformer.

ITEMS

1. Installation, labor of (first installation only).
2. Transformer cut-out boxes.
3. Transformer lightning arresters.
4. Transformers, line and network.
5. Capacitors.
6. Network protectors.

NOTE: The cost of removing and resetting line transformers shall not be charged to this account but to account 583, Overhead Line Expenses, or account 584, Underground Line Expenses, as appropriate. The cost of line transformers used solely for street lighting or signal systems shall be included in account 373, Street Lighting and Signal Systems.

369 Services.

This account shall include the cost installed of overhead and underground conductors leading from a point where wires leave the last pole of the overhead system or the distribution box or manhole, or the top of the pole of the distribution line, to the point of connection with the customer's outlet or wiring. Conduit used for underground service conductors shall be included herein.

ITEMS

1. Brackets.
2. Cables and wires.
3. Conduit.
4. Insulators.
5. Municipal inspection.
6. Overhead to underground, including conduit or standpipe and conductor from last splice on pole to connection with customer's wiring.
7. Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks.
8. Permits.
9. Protection of street openings.
10. Service switch.
11. Suspension wire.

370 Meters.

A. This account shall include the cost installed of meters or devices and appurtenances thereto, for use in measuring the electricity delivered to its users, whether actually in service or held in reserve.

B. When a meter is permanently retired from service, the installed cost included herein shall be credited to this account.

C. The records covering meters shall be so kept that the utility can furnish information as to the number of meters of various capacities in service and in reserve as well as the location of each meter owned.

ITEMS

1. Alternating current watt-hour meters.
2. Current limiting devices.
3. Demand indicators.
4. Demand meters.
5. Direct current watt-hour meters.
6. Graphic demand meters.
7. Installation, labor of (first installation only).
8. Instrument transformers.
9. Maximum demand meters.
10. Meter badges and their attachments.
11. Meter boards and boxes.
12. Meter fittings, connections, and shelves (first set).
13. Meter switches and cut-outs.
14. Prepayment meters.
15. Protective devices.
16. Testing new meters.

NOTE A: This account shall not include meters for recording output of a generating station, substation meters, etc. It includes only those meters used to record energy delivered to customers.

NOTE B: The cost of removing and resetting meters shall be charged to account 586, Meter Expenses.

371 Installations on customers' premises.

This account shall include the cost installed of equipment on the customer's side of a meter when the utility incurs such cost and when the utility retains title to and assumes full responsibility for maintenance and replacement of such property. This account shall not include leased equipment, for which see account 372, Leased Property on Customers' Premises.

ITEMS

1. Cable vaults.
2. Commercial lamp equipment.
3. Foundations and settings specially provided for equipment included herein.
4. Frequency changer sets.
5. Motor generator sets.
6. Motors.
7. Switchboard panels, high or low tension.
8. Wire and cable connections to incoming cables.

NOTE: Do not include in this account any costs incurred in connection with merchandising, jobbing, or contract work activities.

372 Leased property on customers' premises.

This account shall include the cost of electric motors, transformers, and other equipment on customers' premises (including municipal corporations), leased or loaned to customers, but not including property held for sale.

NOTE A: The cost of setting and connecting such appliances or equipment on the premises of customers and the cost of resetting or removal shall not be charged to this account but to operating expenses, account 587, Customer Installations Expenses.

NOTE B: Do not include in this account any costs incurred in connection with merchandising, jobbing, or contract work activities.

373 Street lighting and signal systems.

This account shall include the cost installed of equipment used wholly for public street and highway lighting or traffic, fire alarm, police, and other signal systems.

ITEMS

1. Armored conductors, buried or submarine, including insulators, insulating materials, splices, trenching, etc.
2. Automatic control equipment.
3. Conductors, overhead or underground, including lead or fabric covered, parkway cables, etc., including splices, insulators, etc.
4. Lamps, arc, incandescent, or other types, including glassware, suspension fixtures, brackets, etc.
5. Municipal inspection.
6. Ornamental lamp posts.
7. Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks.
8. Permits.
9. Posts and standards.
10. Protection of street openings.
11. Relays or time clocks.
12. Series contactors.
13. Switches.
14. Transformers, pole or underground.

5. GENERAL PLANT

389 Land and land rights.

This account shall include the cost of land and land rights used for utility purposes, the cost of which is not properly includible in other land and land rights accounts. (See electric plant instruction 7.)

390 Structures and improvements.

This account shall include the cost in place of structures and improvements used for utility purposes, the cost of which is not properly includible in other structures and improvements accounts. (See electric plant instruction 8.)

391 Office furniture and equipment.

This account shall include the cost of office furniture and equipment owned by the utility and devoted to utility service, and not permanently attached to buildings, except the cost of such furniture and equipment which the utility elects to assign to other plant accounts on a functional basis.

ITEMS

1. Bookcases and shelves.
2. Desks, chairs, and desk equipment.
3. Drafting-room equipment.
4. Filing, storage, and other cabinets.
5. Floor covering.
6. Library and library equipment.
7. Mechanical office equipment, such as accounting machines, typewriters, etc.
8. Safes.
9. Tables.

392 Transportation equipment.

This account shall include the cost of transportation vehicles used for utility purposes.

ITEMS

1. Airplanes.
2. Automobiles.
3. Bicycles.
4. Electrical vehicles.
5. Motor trucks.
6. Motorcycles.
7. Repair cars or trucks.
8. Tractors and trailers.
9. Other transportation vehicles.

393 Stores equipment.

This account shall include the cost of equipment used for the receiving, shipping, handling, and storage of materials and supplies.

ITEMS

1. Chain falls.
2. Counters.
3. Cranes (portable).
4. Elevating and stacking equipment (portable).
5. Hoists.
6. Lockers.
7. Scales.
8. Shelving.

9. Storage bins.
10. Trucks, hand and power driven.
11. Wheelbarrows.

394 Tools, shop and garage equipment.

This account shall include the cost of tools, implements, and equipment used in construction, repair work, general shops and garages and not specifically provided for or includible in other accounts.

ITEMS

1. Air compressors.
2. Anvils.
3. Automobile repair shop equipment.
4. Battery charging equipment.
5. Belts, shafts and countershafts.
6. Boilers.
7. Cable pulling equipment.
8. Concrete mixers.
9. Drill presses.
10. Derricks.
11. Electric equipment.
12. Engines.
13. Forges.
14. Furnaces.
15. Foundations and settings specially constructed for and not expected to outlast the equipment for which provided.
16. Gas producers.
17. Gasoline pumps, oil pumps and storage tanks.
18. Greasing tools and equipment.
19. Hoists.
20. Ladders.
21. Lathes.
22. Machine tools.
23. Motor-driven tools.
24. Motors.
25. Pipe threading and cutting tools.
26. Pneumatic tools.
27. Pumps.
28. Riveters.
29. Smithing equipment.
30. Tool racks.
31. Vises.
32. Welding apparatus.
33. Work benches.

395 Laboratory equipment.

This account shall include the cost installed of laboratory equipment used for general laboratory purposes and not specifically provided for or includible in other departmental or functional plant accounts.

ITEMS

1. Ammeters.
2. Current batteries.
3. Frequency changers.
4. Galvanometers.
5. Inductometers.
6. Laboratory standard millivolt meters.
7. Laboratory standard volt meters.
8. Meter-testing equipment.
9. Millivolt meters.
10. Motor generator sets.
11. Panels.
12. Phantom loads.
13. Portable graphic ammeters, voltmeters, and wattmeters.
14. Portable loading devices.
15. Potential batteries.
16. Potentiometers.
17. Rotating standards.
18. Standard cell, reactance, resistor, and shunt.
19. Switchboards.
20. Synchronous timers.
21. Testing panels.
22. Testing resistors.
23. Transformers.
24. Voltmeters.
25. Other testing, laboratory, or research equipment not provided for elsewhere.

396 Power operated equipment.

This account shall include the cost of power operated equipment used in construction or repair work exclusive of equipment includible in other accounts. Include, also, the tools and accessories acquired for use with such equipment and the vehicle on which such equipment is mounted.

ITEMS

1. Air compressors, including driving unit and vehicle.
2. Back filling machines.
3. Boring machines.
4. Bulldozers.
5. Cranes and hoists.
6. Diggers.
7. Engines.
8. Pile drivers.
9. Pipe cleaning machines.
10. Pipe coating or wrapping machines.
11. Tractors—Crawler type.
12. Trenchers.
13. Other power operated equipment.

NOTE: It is intended that this account include only such large units as are generally self-propelled or mounted on movable equipment.

397 Communication equipment.

This account shall include the cost installed of telephone, telegraph, and wireless equipment for general use in connection with utilitiy operations.

ITEMS

1. Antennae.
2. Booths.
3. Cables.
4. Distributing boards.
5. Extension cords.
6. Gongs.
7. Hand sets, manual and dial.
8. Insulators.
9. Intercommunicating sets.
10. Loading coils.
11. Operators' desks.
12. Poles and fixtures used wholly for telephone or telegraph wire.
13. Radio transmitting and receiving sets.
14. Remote control equipment and lines.
15. Sending keys.
16. Storage batteries.
17. Switchboards.
18. Telautograph circuit connections.
19. Telegraph receiving sets.
20. Telephone and telegraph circuits.
21. Testing instruments.
22. Towers.
23. Underground conduit used wholly for telephone or telegraph wires and cable wires.

398 Miscellaneous equipment.

This account shall include the cost of equipment, apparatus, etc., used in the utility operations, which is not includible in any other account of this system of accounts.

ITEMS

1. Hospital and infirmary equipment.
2. Kitchen equipment.
3. Recreation equipment.
4. Radios.
5. Restaurant equipment.
6. Soda fountains.
7. Operators' cottage furnishings.
8. Other miscellaneous equipment.

NOTE: Miscellaneous equipment of the nature indicated above wherever practicable shall be included in the utility plant accounts on a functional basis.

399 Other tangible property.

This account shall include the cost of tangible utility plant not provided for elsewhere.

Income Accounts

1. UTILITY OPERATING INCOME

400 Operating revenues.

Operating expenses.

401 Operation expense.
402 Maintenance expense.
403 Depreciation expense.
404 Amortization of limited-term electric plant.
405 Amortization of other electric plant.
406 Amortization of electric plant acquisition adjustments.
407 Amortization of property losses.
408 Taxes other than income taxes.
409 Income taxes.
410 Provision for deferred income taxes.
411 Income taxes deferred in prior years—Credit.
Total operating expenses.

Operating income.

412–413 Income from electric plant leased to others.
414 Other utility operating income.
Total operating income.

2. OTHER INCOME

415–416 Income from merchandising, jobbing and contract work.
417 Income from nonutility operations.
418 Nonoperating rental income.
419 Interest and dividend income.
421 Miscellaneous nonoperating income.
Total other income.
Total income.

3. MISCELLANEOUS INCOME DEDUCTIONS

425 Miscellaneous amortization.
426 Other income deductions.
Total income deductions.
Income before interest charges.

4. INTEREST CHARGES

427 Interest on long-term debt.
428 Amortization of debt discount and expense.
429 Amortization of premium on debt—Cr.
430 Interest on debt to associated companies.
431 Other interest expense.
432 Interest charged to construction—Cr.
Total interest charges.
Net income.

5. EARNED SURPLUS

216 Unappropriated earned surplus (at beginning of period).
433 Balance transferred from income.
434 Miscellaneous credits to surplus.
435 Miscellaneous debits to surplus.
436 Appropriations of surplus.
Net addition to earned surplus.
437 Dividends declared—Preferred stock.
438 Dividends declared—Common stock.
216 Unappropriated earned surplus (at end of period).

Income Accounts

1. UTILITY OPERATING INCOME

400 Operating revenues.

There shall be shown under this caption the total amount included in the electric operating revenue accounts provided herein.

401 Operation expense.

There shall be shown under this caption the total amount included in the electric operation expense accounts provided herein. (See note to operating expense instruction 3.)

402 Maintenance expense.

There shall be shown under this caption the total amount included in the electric maintenance expense accounts provided herein.

403 Depreciation expense.

A. This account shall include the amount of depreciation expense for all classes of depreciable electric plant in service except such depreciation expense as is chargeable to clearing accounts or to account 416, Costs and Expenses of Merchandising, Jobbing and Contract Work.

B. The utility shall keep such records of property and property retirements as will reflect the service life of property which has been retired and aid in estimating probable service life by mortality, turnover, or other appropriate methods; and also such records as will reflect the percentage of salvage and costs of removal for property retired from each account, or subdivision thereof, for depreciable electric plant.

NOTE A: Depreciation expense applicable to property included in account 104, Electric Plant Leased to Others, shall be charged to account 413, Expenses of Electric Plant Leased to Others.

NOTE B: Depreciation expense applicable to transportation equipment, shop equipment, tools, work equipment, power operated equipment and other general equipment may be charged to clearing accounts as necessary in order to obtain a proper distribution of expenses between construction and operation.

404 Amortization of limited-term electric plant.

This account shall include amortization charges applicable to amounts included in the electric plant accounts for limited-term franchises, licenses, patent rights, limited-term interests in land, and expenditures on leased property where the service life of the improvements is terminable by action of the lease. The charges to this account shall be such as to distribute the book cost of each investment as evenly as may be over the period of its benefit to the utility. (See account 111, Accumulated Provision for Amortization of Electric Plant in Service.)

405 Amortization of other electric plant.

A. When authorized by the Commission, this account shall include charges for amortization of intangible or other electric plant in service which does not have a definite or terminable life and which is not subject to charges for depreciation expense.

B. This account shall be supported in such detail as to show the amortization applicable to each investment being amortized, together with the book cost of the investment and the period over which it is being written off.

406 Amortization of electric plant acquisition adjustments.

This account shall be debited or credited, as the case may be, with amounts includible in operating expenses, pursuant to approval or order of the Commission, for the purpose of providing for the extinguishment of the amount in account 114, Electric Plant Acquisition Adjustments.

407 Amortization of property losses.

This account shall be charged with amounts credited to account 182, Extraordinary Property Losses, when the Commission has authorized the amount in the latter account to be amortized by charges to electric operations.

408 Taxes other than income taxes.

A. This account shall include the amount of ad valorem, gross revenue or gross receipts taxes, state unemployment insurance, franchise taxes, federal excise taxes, social security taxes, and all other taxes assessed by federal, state, county, municipal, or other local governmental authorities, which are properly chargeable to electric operations, except income taxes.

B. This account shall be charged in each accounting period with the amount of taxes which is applicable thereto, with concurrent credits to account 236, Taxes Accrued, or account 165, Prepayments, as appropriate. When it is not possible to determine the exact amount of taxes, the amount shall be estimated and adjustments made in current accruals as the actual tax levies become known.

C. The charges to this account shall be made or supported so as to show the amount of each tax and the basis upon which each charge is made. In the case of a utility rendering more than one utility service, taxes of the kind includible in this account shall be assigned directly to the utility department the operation of which gave rise to the tax in so far as practicable. Where the tax is not attributable to a specific utility department, it shall be distributed among the utility departments or nonutility operations on an equitable basis.

NOTE A: Taxes applicable to nonutility property or investments shall be charged to the account in which the income from the property or investments is included.

NOTE B: Special assessments for street and similar improvements shall be included in the appropriate utility plant or nonutility property account.

NOTE C: Taxes specifically applicable to construction shall be included in the cost of construction.

NOTE D: Taxes assumed by the utility on property leased from others for use in utility operations shall be charged to the appropriate rent expense or clearing account.

NOTE E: Gasoline and other sales taxes shall be charged as far as practicable to the same account as the materials on which the tax is levied.

NOTE F: Social security and other forms of so-called pay roll taxes shall be distributed to utility departments and to nonutility functions on a basis related to pay roll. Amounts applicable to construction shall be charged to the appropriate plant account.

409 Income taxes.

A. This account shall include the amount of state and federal taxes on income properly accruable during the period covered by the income statement to meet the actual liability for such taxes. Concurrent credits for the tax accruals shall be made to account 236, Taxes Accrued, and as the exact amount of taxes becomes known, the current tax accruals shall be adjusted accordingly so that this account, as nearly as can be ascertained, shall include the actual taxes payable which are chargeable to utility operations.

B. The accruals for income taxes shall be apportioned among utility departments and nonutility operations so that, as nearly as practicable, each tax shall be included in the expenses of the utility department or nonutility operation the income from which gave rise to the tax.

NOTE A: Taxes assumed by the utility on interest shall be charged to account 431, Other Interest Expense.

NOTE B: Income taxes on income from utility plant leased to others shall be charged to account 413, Expenses of Electric Plant Leased to Others.

NOTE C: Where statutes or regulatory practices require that the profits or losses of merchandising, jobbing and contract work shall not be considered in arriving at rates to be charged for utility service, income taxes on income from merchandising, jobbing and contract work shall be charged to account 416, Costs and Expenses of Merchandising, Jobbing and Contract Work.

NOTE D: Income taxes on nonutility income shall be charged to the account in which the income is included. If the amount of nonutility income is relatively small, the allocation of income taxes thereto may be made annually.

NOTE E: Interest on tax refunds or deficiencies shall not be included in this account but in account 419, Interest and Dividend Income, or account 431, Other Interest Expense, as appropriate.

410 Provision for deferred income taxes.

This account shall be debited, and Accumulated Deferred Income Taxes, shall be credited with an amount equal to any deferral of taxes on income as provided by the texts of accounts 281, 282 and 283. There shall not be netted against entries required to be made to this account any credit amounts appropriately includible in account 411, Income Taxes Deferred in Prior Years—Credit.

411 Income taxes deferred in prior years—Credit.

This account shall be credited and Accumulated Deferred Income Taxes debited with an amount equal to the portion of taxes on income payable for the year that is attributable to a deferral of taxes on income in a prior year, in accordance with the plan of deferred tax accounting provided by the texts of accounts 281, 282, and 283. There shall not be netted against entries required to be made to this account any debit amounts appropriately includible in account 410, Provision for Deferred Income Taxes.

412 Revenues from electric plant leased to others.

413 Expenses of electric plant leased to others.

A. These accounts shall include respectively, revenues from electric property constituting a distinct operating unit or system leased by the utility to others, and which property is properly includible in account 104, Electric Plant Leased to Others, and the expenses attributable to such property.

B. The detail of expenses shall be kept or supported so as to show separately the following:

Operation.
Maintenance.
Rents.
Depreciation.
Amortization.
Taxes other than income taxes.
Income taxes.

414 Other utility operating income.

A. This account shall include the revenues received and expenses incurred in connection with the operations of utility plant, the book cost of which is included in account 118, Other Utility Plant.

B. The expenses shall include every element of cost incurred in such operations, including depreciation, rents, taxes, and insurance.

2. OTHER INCOME

415 Revenues from merchandising, jobbing and contract work.

416 Costs and expenses of merchandising, jobbing and contract work.

A. These accounts shall include respectively, all revenues derived from the sale of merchandise and jobbing or contract work, including any profit or commission accruing to the utility on jobbing work performed by it as agent under contracts whereby it does jobbing work for another for a stipulated profit or commission, and all expenses incurred in such activities.

B. Records in support of these accounts shall be so kept as to permit ready summarization of revenues, costs and expenses by such major items as are feasible.

NOTE: Revenues and expenses of merchandising, jobbing and contract work shall be reported in these accounts, if a state regulatory body having jurisdiction over the utility requires the net income therefrom to be reported as other income; but the revenues and expenses shall be reported in accounts 914, Revenues from Merchandising, Jobbing and Contract Work, and 915, Costs and Expenses of Merchandising, Jobbing and Contract Work, if such regulatory body requires the net income to be reported as an operating income or expense item. In the absence of a requirement by a state regulatory body, the utility may use these accounts or accounts 914 and 915 at its option, in which case the practice of the utility must be consistent.

ITEMS

Account 415:

1. Revenues from sale of merchandise and from jobbing and contract work.

2. Discounts and allowances made in settlement of bills for merchandise and jobbing work.

Account 416:

Labor—

1. Canvassing and demonstrating appliances in homes and other places for the purpose of selling applicanes.

2. Demonstrating and selling activities in sales rooms.

3. Installing appliances on customer premises where such work is done only for purchasers of appliances from the utility.

4. Installing wiring, piping, or other property work, on a jobbing or contract basis.

5. Preparing advertising materials for appliance sales purposes.

6. Receiving and handling customer orders for merchandise or for jobbing services.

7. Cleaning and tidying sales rooms.

8. Maintaining display counters and other equipment used in merchandising.

9. Arranging merchandise in sales rooms and decorating display windows.

10. Reconditioning repossessed appliances.

11. Bookkeeping and other clerical work in connection with merchandise and jobbing activities.

12. Supervising merchandise and jobbing operations.

Materials and expenses—

13. Advertising in newspapers, periodicals, radio, television, etc.

14. Cost of merchandise sold and of materials used in jobbing work.

15. Stores expenses on merchandise and jobbing stocks.

16. Fees and expenses of advertising and commercial artists' agencies.

17. Printing booklets, dodgers, and other advertising data.

18. Premiums given as inducement to buy appliances.

19. Light, heat and power.

20. Depreciation on equipment used primarily for merchandise and jobbing operations.

21. Rent of sales rooms or of equipment.

22. Transportation expense in delivery and pick-up of appliances by utility's facilities or by others.

23. Stationery and office supplies and expenses.

24. Taxes directly assignable to merchandise and jobbing operations including income taxes on net income derived therefrom.

25. Losses from uncollectible merchandise and jobbing accounts.

417 Income from nonutility operations.

A. This account shall include revenues and expenses applicable to operations which are nonutility in character but nevertheless constitute a distinct operating activity of the enterprise as a whole, such as the operation of an ice department where applicable statutes do not define such operation as a utility, or the operation of a servicing organization for furnishing supervision, management, engineering, and similar services to others.

B. The expenses shall include all elements of costs incurred in such operations, and the accounts shall be maintained so as to permit ready summarization as follows:

Operation.
Maintenance.
Rents.
Depreciation.
Amortization.
Taxes other than income taxes.
Income taxes.

418 Nonoperating rental income.

A. This account shall include all rent revenues and related expenses of land, buildings, or other property included in account 121, Nonutility Property, which is not used in operations covered by account 417.

B. The expenses shall include all elements of costs incurred in the ownership and rental of property and the accounts shall be maintained so as to permit ready summarization as follows:

Operation.
Maintenance.
Rents.
Depreciation.
Amortization.
Taxes other than income taxes.
Income taxes.

419 Interest and dividend income.

A. This account shall include interest revenues on securities, loans, notes, advances, special deposits, tax refunds and all other interest-bearing assets, and dividends on stocks of other companies, whether the securities on which the interest and dividends are received are carried as investments or included in sinking or other special fund accounts.

B. If any interest or dividends are required to be retained in a special fund and the fund is represented by a reserve, the amount of such accretion to the fund shall concurrently be credited to the appropriate reserve account and charged to account 436, Appropriations of Surplus.

C. This account may include the pro rata amount necessary to extinguish (during the interval between the date of acquisition and the date of maturity) the difference between the cost to the utility and the face value of interest-bearing securities. Amounts thus credited or charged shall be concurrently included in the accounts in which the securities are carried.

D. Where significant in amount, expenses, including operating taxes and income taxes, applicable to security investments and to interest and dividend revenues thereon shall be charged hereto.

NOTE: Interest accrued, the payment of which is not reasonably assured, dividends receivable which have not been declared or guaranteed, and interest or dividends upon reacquired securities issued or assumed by the utility shall not be credited to this account.

421 Miscellaneous nonoperating income.

This account shall include all revenue and expense items properly includible in the income account and not provided for elsewhere.

ITEMS

1. Profit on sale of timber. (See electric plant instruction 7C.)

2. Profits from operations of others realized by the utility under contracts.

3. MISCELLANEOUS INCOME DEDUCTIONS

425 Miscellaneous amortization.

This account shall include amortization charges not includible in other accounts which are properly deductible in determining the income of the utility before interest charges. Charges includible herein, if significant in amount, must be in accordance with an orderly and systematic amortization program. Similar charges made irregularly without a definite program, or which are dependent upon the amount of net income shall be charged to account 435, Miscellaneous Debits to Surplus.

ITEMS

1. Amortization of utility plant acquisition adjustments, or of intangibles included in utility plant in service when not authorized to be included in utility operating expenses by the Commission.

2. Amortization of amounts in account 182, Extraordinary Property Losses, when not authorized to be included in utility operating expenses by the Commission.

3. Amortization of capital stock discount or expenses when in accordance with a systematic amortization program.

426 Other income deductions.

This account shall include miscellaneous expense items which are nonoperating in nature but which are properly deductible before determining total income before interest charges.

ITEMS

1. Donations for charitable, social or community welfare purposes.

2. Life insurance of officers and employees where utility is beneficiary (net premiums

less increase in cash surrender value of policies).

3. Penalties or fines for violation of statutes pertaining to regulation.

NOTE: The classification of expenses as nonoperating and their inclusion in this account is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.

4. INTEREST CHARGES

427 Interest on long-term debt.

A. This account shall include the amount of interest on outstanding long-term debt issued or assumed by the utility, the liability for which is included in account 221, Bonds, or account 224, Other Long-Term Debt.

B. This account shall be so kept or supported as to show the interest accruals on each class and series of long-term debt.

NOTE: This account shall not include interest on nominally issued or nominally outstanding long-term debt, including securities assumed.

428 Amortization of debt discount and expense.

A. This account shall include the amortization of unamortized debt discount and expense on outstanding long-term debt. Amounts charged to this account shall be credited concurrently to account 181, Unamortized Debt Discount and Expense.

B. This account shall be so kept or supported as to show the debt discount and expense on each class and series of long-term debt.

429 Amortization of premium on debt—Cr.

A. This account shall include the amortization of unamortized net premium on outstanding long-term debt. Amounts credited to this account shall be charged concurrently to account 251, Unamortized Premium on Debt.

B. This account shall be so kept or supported as to show the premium on each class and series of long-term debt.

430 Interest on debt to associated companies.

A. This account shall include the interest accrued on amounts included in account 223, Advances from Associated Companies, and on all other obligations to associated companies.

B. The records supporting the entries to this account shall be so kept as to show to whom the interest is to be paid, the period covered by the accrual, the rate of interest and the principal amount of the advances or other obligations on which the interest is accrued.

431 Other interest expense.

This account shall include all interest charges not provided for elsewhere.

ITEMS

1. Interest on notes payable on demand or maturing one year or less from date and on open accounts, except notes and accounts with associated companies.
2. Interest on customers' deposits.
3. Interest on claims and judgments, tax assessments, and assessments for public improvements past due.
4. Income and other taxes levied upon bondholders of utility and assumed by it.

432 Interest charged to construction—Cr.

This account shall include concurrent credits for interest charged to construction based upon the net cost for the period of construction of borrowed funds used for construction purposes and a reasonable rate upon other funds when so used. (See electric plant instruction 3(17).)

5. EARNED SURPLUS

433 Balance transferred from income.

This account shall include the net credit or debit transferred from income for the year.

434 Miscellaneous credits to surplus.

This account shall include credits affecting earned surplus not provided for elsewhere. If an amount otherwise required by the uniform system of accounts to be credited to this account is not significant with respect to net income determination for the year, it may be credited to the appropriate nonoperating income account. (See also general instruction 7, Delayed Items.) All items included in this account shall be sufficiently described in the entries relating thereto as to permit ready analysis.

ITEMS

1. Delayed credits as provided in general instruction 7.
2. Profit on reacquisition and resale or retirement of utility's debt securities.
3. Profit on sale of property or investments.

435 Miscellaneous debits to surplus.

This account shall include amounts chargeable to earned surplus but not provided for elsewhere. If an amount otherwise required by the uniform system of accounts to be charged to this account is not significant with respect to net income determination for the year, it may be charged to the apropriate nonoperating income deduction account. (See also general instruction 7, Delayed Items.) All items included in this account shall be sufficiently described in the entries relating thereto as to permit ready analysis.

ITEMS

1. Decline in value of investments.
2. Delayed debits as provided in general instruction 7.
3. Loss on reacquisition and resale or retirement of utility's debt securities.
4. Provision for past accrued depreciation not provided for.
5. Long-term debt discount or expense written off.
6. Loss on sale of property or investments.
7. Write off of utility plant acquisition adjustments or of intangibles when not done under an orderly systematic program indicating the propriety of inclusion of the annual charges in account 425, Miscellaneous Amortization.
8. Preliminary survey and investigation expenses on abandoned projects.
9. Income taxes, both state and federal, occasioned by items included in account 434, Miscellaneous Credits to Surplus.
10. Charges from retirement or resale of reacquired capital stock.

436 Appropriations of surplus.

This account shall include appropriations of earned surplus for purposes not provided for elsewhere.

ITEMS

1. Appropriations of income required under terms of mortgages, orders of courts, contracts or other agreements.
2. Appropriations of income required by action of regulatory authorities.
3. Miscellaneous appropriations of income made at option of utility for specified purposes.

437 Dividends declared—Preferred stock.

A. This account shall include amounts declared payable out of earned surplus as dividends on actually outstanding preferred or prior lien capital stock issued by the utility.

B. Dividends shall be segregated for each class and series of preferred stock as to those payable in cash, stock and other forms. If not payable in cash, the medium of payment shall be described with sufficient particularity to identify it.

438 Dividends declared—Common stock.

A. This account shall include amounts declared payable out of earned surplus as dividends on actually outstanding common capital stock issued by the utility.

B. Dividends shall be segregated for each class of common stock as to those payable in cash, stock and other forms. If not payable in cash, the medium of payment shall be described with sufficient particularity to identify it.

Operating Revenue Accounts

1. SALES OF ELECTRICITY

440 Residential sales.
442 Commercial and industrial sales.
444 Public street and highway lighting.
445 Other sales to public authorities.
446 Sales to railroads and railways.
447 Sales for resale.
448 Interdepartmental sales.

2. OTHER OPERATING REVENUES

450 Forfeited discounts.
451 Miscellaneous service revenues.
453 Sales of water and water power.
454 Rent from electric property.
455 Interdepartmental rents.
456 Other electric revenues.

Operating Revenue Accounts

1. SALES OF ELECTRICITY

440 Residential sales.

A. This account shall include the net billing for electricity supplied for residential or domestic purposes.

B. Records shall be maintained so that the quantity of electricity sold and the revenue received under each rate schedule shall be readily available.

NOTE: When electricity supplied through a single meter is used for both residential and commercial purposes, the total revenue shall be included in this account, or account 442, Commercial and Industrial Sales, according to the rate schedule which is applied. If the same rate schedules apply to residential as to commercial and industrial service, classification shall be made according to principal use.

442 Commercial and industrial sales.

A. This account shall include the net billing for electricity supplied to cus-

tomers for commercial and industrial purposes.

B. Records shall be maintained so that the quantity of electricity sold and the revenue received under each rate schedule shall be readily available. Records shall be maintained also so as to show separately the revenues from commercial and industrial customers (a) which have demands generally of 1000 kw or more, and (b) those which have demands generally less than 1000 kw. Reasonable deviations above or below the 1000 kw demand are permissible in order that transfers of customers between the two classes during the year may be minimized.

NOTE A: If the utility classifies large commercial and industrial customers and related revenues on a lesser basis than 1000 kilowatts of demand, or segregates industrial customers and related revenues according to a recognized definition of an industrial customer, such classifications are acceptable in lieu of those otherwise required by the text of this account on the basis of 1000 kilowatts of demand.

NOTE B: When electricity supplied through a single meter is used for both commercial and residential purposes, the total revenue shall be included in this account, or in account 440, Residential Sales, according to the rate schedule which is applied. If the same rate schedules apply to residential as to commercial and industrial service, classification shall be made according to the principal use.

444 Public street and highway lighting.

A. This account shall include the net billing for electricity supplied and services rendered for the purposes of lighting streets, highways, parks and other public places, or for traffic or other signal system service, for municipalities or other divisions or agencies of state or federal governments.

B. Records shall be maintained so that the quantity of electricity sold and the revenue received from each customer shall be readily available. In addition, the records shall be maintained so as to show the revenues from (a) contracts which include both electricity and services, and (b) contracts which include sales of electricity only.

445 Other sales to public authorities.

A. This account shall include the net billing for electricity supplied to municipalities or divisions or agencies of federal or state governments, under special contracts or agreements or service classifications applicable only to public authorities, except such revenues as are includible in accounts 444 and 447.

B. Records shall be maintained so as to show the quantity of electricity sold and the revenues received from each customer.

446 Sales to railroads and railways.

A. This account shall include the net billing for electricity supplied to railroads and interurban and street railways, for general railroad use, including the propulsion of cars or locomotives, where such electricity is supplied under separate and distinct rate schedules.

B. Records shall be maintained so that the quantity of electricity sold and the revenue received from each customer shall be readily available.

NOTE: Revenues from incidental use of electricity furnished under a contract for propulsion of cars or locomotives shall be included herein.

447 Sales for resale.

A. This account shall include the net billing for electricity supplied to other electric utilities or to public authorities for resale purposes.

B. Records shall be maintained so as to show the quantity of electricity sold and the revenue received from each customer.

NOTE: Revenues from electricity supplied to other public utilities for use by them and not for distribution, shall be included in account 442, Commercial and Industrial Sales, unless supplied under the same contract as and not readily separable from revenues includible in this account.

448 Interdepartmental sales.

A. This account shall include amounts charged by the electric department at tariff or other specified rates for electricity supplied by it to other utility departments.

B. Records shall be maintained so that the quantity of electricity supplied each other department and the charges therefor shall be readily available.

2. OTHER OPERATING REVENUES

450 Forfeited discounts.

This account shall include the amount of discounts forfeited or additional charges imposed because of the failure of customers to pay their electric bills on or before a specified date.

451 Miscellaneous service revenues.

This account shall include revenues for all miscellaneous services and charges billed to customers which are not specifically provided for in other accounts.

ITEMS

1. Fees for changing, connecting or disconnecting service.
2. Profit on maintenance of appliances, wiring, piping or other installations on customers' premises.
3. Net credit or debit (cost less net salvage and less payment from customers) on closing of work orders for plant installed for temporary service of less than one year. (See account 185, Temporary Facilities.)
4. Recovery of expenses in connection with current diversion cases (billing for the electricity consumed shall be included in the appropriate electric revenue account).

453 Sales of water and water power.

A. This account shall include revenues derived from the sale of water for irrigation, domestic, industrial or other uses, or for the development by others of water power, or for headwater benefits; also, revenues derived from furnishing water power for mechanical purposes when the investment in the property used in supplying such water or water power is carried as electric plant in service.

B. The records for this account shall be kept in such manner as to permit an analysis of the rates charged and the purposes for which the water was used.

454 Rent from electric property.

A. This account shall include rents received for the use by others of land, buildings, and other property devoted to electric operations by the utility.

B. When property owned by the utility is operated jointly with others under a definite arrangement for apportioning the actual expenses among the parties to the arrangement, any amount received by the utility for interest or return or in reimbursement of taxes or depreciation on the property shall be credited to this account.

NOTE: Do not include in this account rents from property constituting an operating unit or system. (See account 412, Revenues from Electric Plant Leased to Others.)

455 Interdepartmental rents.

This account shall include rents credited to the electric department on account of rental charges made against other departments (gas, water, etc.) of the utility. In the case of property operated under a definite arrangement to allocate the costs among the departments using the property, any reimbursement to the electric department for interest or return and depreciation and taxes shall be credited to this account.

456 Other electric revenues.

This account shall include revenues derived from electric operations not includible in any of the foregoing accounts.

ITEMS

1. Commission on sale or distribution of electricity of others when sold under rates filed by such others.
2. Compensation for minor or incidental services provided for others such as customer billing, engineering, etc.
3. Profit or loss on sale of material and supplies not ordinarily purchased for resale and not handled through merchandising and jobbing accounts.
4. Sale of steam, but not including sales made by a steamheating department or transfers of steam under joint facility operations.
5. Revenues from transmission of electricity of others over transmission facilities of the utility.

Operation and Maintenance Expense Accounts

1. POWER PRODUCTION EXPENSES

A. STEAM POWER GENERATION

Operation

500 Operation supervision and engineering.
501 Fuel.
502 Steam expenses.
503 Steam from other sources.
504 Steam transferred—Cr.
505 Electric expenses.
506 Miscellaneous steam power expenses.
507 Rents.

Maintenance

510 Maintenance supervision and engineering.
511 Maintenance of structures.
512 Maintenance of boiler plant.
513 Maintenance of electric plant.
514 Maintenance of miscellaneous steam plant.

B. NUCLEAR POWER GENERATION

Operation

517 Operation supervision and engineering.
518 Fuel.
519 Coolants and water.
520 Steam expenses.
521 Steam from other sources.
522 Steam transferred—Cr.
523 Electric expenses.
524 Miscellaneous nuclear power expenses.
525 Rents.

5. Handling from storage or shipping

Maintenance

528 Maintenance supervision and engineering.
529 Maintenance of structures.
530 Maintenance of reactor plant equipment.
531 Maintenance of electric plant.
532 Maintenance of miscellaneous nuclear plant.

C. HYDRAULIC POWER GENERATION

Operation

535 Operation supervision and engineering.
536 Water for power.
537 Hydraulic expenses.
538 Electric expenses.
539 Miscellaneous hydraulic power generation expenses.
540 Rents.

Maintenance

541. Maintenance supervision and engineering.
542 Maintenance of structures.
543 Maintenance of reservoirs, dams and waterways.
544 Maintenance of electric plant.
545 Maintenance of miscellaneous hydraulic plant.

D. OTHER POWER GENERATION

Operation

546 Operation supervision and engineering.
547 Fuel.
548 Generation expenses.
549 Miscellaneous other power generation expenses.
550 Rents.

Maintenance

551 Maintenance supervision and engineering.
552 Maintenance of structures.
553 Maintenance of generating and electric plant.
554 Maintenance of miscellaneous other power generation plant.

E. OTHER POWER SUPPLY EXPENSES

555 Purchased power.
556 System control and load dispatching.
557 Other expenses.

2. TRANSMISSION EXPENSES

Operation

560 Operation supervision and engineering.
561 Load dispatching.
562 Station expenses.
563 Overhead line expenses.
564 Underground line expenses.
565 Transmission of electricity by others.
566 Miscellaneous transmission expenses.
567 Rents.

Maintenance

568 Maintenance supervision and engineering.
569 Maintenance of structures.
570 Maintenance of station equipment.
571 Maintenance of overhead lines.
572 Maintenance of underground lines.
573 Maintenance of miscellaneous transmission plant.

3. DISTRIBUTION EXPENSES

Operation

580 Operation supervision and engineering.
581 Load dispatching.
582 Station expenses.
583 Overhead line expenses.
584 Underground line expenses.
585 Street lighting and signal system expenses.
586 Meter expenses.
587 Customer installations expenses.
588 Miscellaneous distribution expenses.
589 Rents.

Maintenance

590 Maintenance supervision and engineering.
591 Maintenance of structures.
592 Maintenance of station equipment.
593 Maintenance of overhead lines.
594 Maintenance of underground lines.
595 Maintenance of line transformers.
596 Maintenance of street lighting and signal systems.
597 Maintenance of meters.
598 Maintenance of miscellaneous distribution plant.

4. CUSTOMER ACCOUNTS EXPENSES

Operation

901 Supervision.
902 Meter reading expenses.
903 Customer records and collection expenses.
904 Uncollectible accounts.
905 Miscellaneous customer accounts expenses.

5. SALES EXPENSES

Operation

911 Supervision.
912 Demonstrating and selling expenses.
913 Advertising expenses.
914 Revenues from merchandising, jobbing and contract work.
915 Cost and expenses of merchandising, jobbing and contract work.
916 Miscellaneous sales expenses.

6. ADMINISTRATIVE AND GENERAL EXPENSES

Operation

920 Administrative and general salaries.
921 Office supplies and expenses.
922 Administrative expenses transferred—Cr.
923 Outside services employed.
924 Property insurance.
925 Injuries and damages.
926 Employee pensions and benefits.
927 Franchise requirements.
928 Regulatory commission expenses.
929 Duplicate charges—Cr.
930 Miscellaneous general expenses.
931 Rents.

Maintenance

932 Maintenance of general plant.

Operation and Maintenance Expense Accounts

1. POWER PRODUCTION EXPENSES

A. STEAM POWER GENERATION

Operation

500 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of steam power generating stations. Direct supervision of specific activities, such as fuel handling, boiler-room operations, generator operations, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

501 Fuel.

A. This account shall include the cost of fuel used in the production of steam for the generation of electricity, including expenses in unloading fuel from the shipping media and handling thereof up to the point where the fuel enters the first boiler plant bunker, hopper, bucket, tank or holder of the boiler-house structure. Records shall be maintained to show the quantity, B.t.u. content and cost of each type of fuel used.

B. The cost of fuel shall be charged initially to account 151, Fuel Stock, and cleared to this account on the basis of the fuel used. Fuel handling expenses may be charged to this account as incurred or charged initially to account 152, Fuel Stock Expenses Undistributed. In the latter event, they shall be cleared to this account on the basis of the fuel used. Respective amounts of fuel stock and fuel stock expenses shall be readily available.

ITEMS

Labor:

1. Supervising purchasing and handling of fuel.
2. All routine fuel analyses.
3. Unloading from shipping facility and putting in storage.
4. Moving of fuel in storage and transferring fuel from one station to another.
5. Handling from storage or shipping facility to first bunker, hopper, bucket, tank or holder of boiler-house structure.
6. Operation of mechanical equipment, such as locomotives, trucks, cars, boats, barges, cranes, etc.

Materials and Expenses:

7. Cost of fuel including freight, switching, demurrage and other transportation charges.
8. Excise taxes, insurance, purchasing commissions and similar items.
9. Stores expenses to extent applicable to fuel.
10. Transportation and other expenses in moving fuel in storage.
11. Tools, lubricants and other supplies.
12. Operating supplies for mechanical equipment.
13. Residual disposal expenses less any proceeds from sale of residuals.

NOTE: Abnormal fuel handling expenses occasioned by emergency conditions shall be charged to expense as incurred.

502 Steam expenses.

This account shall include the cost of labor, materials used and expenses incurred in production of steam for electric generation. This includes all expenses of handling and preparing fuel beginning at the point where the fuel enters the first boiler plant bunker, hopper, tank or holder of the boiler-house structure.

ITEMS

Labor:

1. Supervising steam production.
2. Operating fuel conveying, storage, weighing and processing equipment within boiler plant.
3. Operating boiler and boiler auxiliary equipment.
4. Operating boiler feed water purification and treatment equipment.
5. Operating ash-collecting and disposal equipment located inside the plant.
6. Operating boiler plant electrical equipment.
7. Keeping boiler plant log and records and preparing reports on boiler plant operation.
8. Testing boiler water.
9. Testing, checking, and adjusting meters, gauges, and other instruments and equipment in boiler plant.
10. Cleaning boiler plant equipment when not incidental to maintenance work.
11. Repacking glands and replacing gauge glasses where the work involved is of a minor nature and is performed by regular operating crews. Where the work is of a major character, such as that performed on high-pressure boilers, the item should be considered as maintenance.

Materials and Expenses:

12. Chemicals and boiler inspection fees.
13. Lubricants.

14. Boiler feed water purchased and pumping supplies.

503 Steam from other sources.

This account shall include the cost of steam purchased, or transferred from another department of the utility or from others under a joint facility operating arrangement, for use in prime movers devoted to the production of electricity.

NOTE: The records shall be so kept as to show separately for each company from which steam is purchased, the point of delivery, the quantity, the price, and the total charge. When steam is transferred from another department or from others under a joint operating arrangement, the utility shall be prepared to show full details of the cost of producing such steam, the basis of the charge to electric generation and the extent and manner of use by each department or party involved.

504 Steam transferred—Credit.

A. This account shall include credits for expenses of producing steam which are charged to others or to other utility departments under a joint operating arrangement. Include also credits for steam expenses chargeable to other electric accounts outside of the steam generation group. Full details of the basis of determination of the cost of steam transferred shall be maintained.

B. If the charges to others or to other departments of the utility include an amount for depreciation, taxes and return on the joint steam facilities, such portion of the charge shall be credited, in the case of others, to account 454, Rent from Electric Property, and in the case of other departments of the utility, to account 455, Interdepartmental Rents.

505 Electric expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating prime movers, generators, and their auxiliary apparatus, switch gear and other electric equipment to the points where electricity leaves for conversion for transmission or distribution.

ITEMS

Labor:

1. Supervising electric production.
2. Operating turbines, engines, generators and exciters.
3. Operating condensers, circulating water systems and other auxiliary apparatus.
4. Operating generator cooling system.
5. Operating lubrication and oil control system, including oil purification.
6. Operating switchboards, switch gear and electric control and protective equipment.
7. Keeping electric plant log and records and preparing reports on electric plant operations.
8. Testing, checking and adjusting meters, gauges, and other instruments, relays, controls and other equipment in the electric plant.
9. Cleaning electric plant equipment when not incidental to maintenance work.
10. Repacking glands and replacing gauge glasses.

Materials and Expenses:

11. Lubricants and control system oils.
12. Generator cooling gases.
13. Circulating water purification supplies.
14. Cooling water purchased.
15. Motor and generator brushes.

506 Miscellaneous steam power expenses.

This account shall include the cost of labor, materials used and expenses incurred which are not specifically provided for or are not readily assignable to other steam generation operation expense accounts.

ITEMS

Labor:

1. General clerical and stenographic work.
2. Guarding and patrolling plant and yard.
3. Building service.
4. Care of grounds including snow removal, cutting grass, etc.
5. Miscellaneous labor.

Materials and Expenses:

6. General operating supplies, such as tools, gaskets, packing waste, gauge glasses, hose, indicating lamps, record and report forms, etc.
7. First-aid supplies and safety equipment.
8. Employees' service facilities expenses.
9. Building service supplies.
10. Communication service.
11. Miscellaneous office supplies and expenses, printing and stationery.
12. Transportation expenses.
13. Meals, traveling and incidental expenses.

507 Rents.

This account shall include all rents of property of others used, occupied or operated in connection with steam power generation. (See operating expense instruction 3.)

Maintenance

510 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of steam generation facilities. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

511 Maintenance of structures.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of steam structures, the book cost of which is includible in account 311, Structures and Improvements. (See operating expense instruction 2.)

512 Maintenance of boiler plant.

A. This account shall include the cost of labor, materials used and expenses incurred in the maintenance of steam plant, the book cost of which is includible in account 312, Boiler Plant Equipment. (See operating expense instruction 2).

B. For the purpose of making charges hereto and to account 513, Maintenance of Electric Plant, the point at which steam plant is distinguished from electric plant is defined as follows:

a. Inlet flange of throttle valve on prime mover.

b. Flange of all steam extraction lines on prime mover.

c. Hotwell pump outlet on condensate lines.

d. Inlet flange of all turbine-room auxiliaries.

e. Connection to line side of motor starter for all boiler-plant equipment.

513 Maintenance of electric plant.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of electric plant, the book cost of which is includible in account 313, Engines and Engine-Driven Generators, account 314, Turbogenerator Units, and account 315, Accessory Electric Equipment. (See operating expense instruction 2 and paragraph B of account 512.)

514 Maintenance of miscellaneous steam plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of miscellaneous steam generation plant, the book cost of which is includible in account 316, Miscellaneous Power Plant Equipment. (See operating expense instruction 2.)

B. NUCLEAR POWER GENERATION

Operation

517 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of nuclear power generating stations. Direct supervision of specific activities, such as fuel handling, reactor operations, generator operations, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

518 Fuel.

A. This account shall include fuel costs for the production of steam in the generation of electricity by nuclear process (see accounts 157, 158 and 159).

B. Records supporting entries to this account shall be so kept that the utility can furnish the basis of computations and amounts of the individual fuel cost items. The records shall be so maintained that the fuel cost may be readily classified as to use charges, nuclear fuel burn-up, consumption of non-nuclear materials, net plutonium and other nuclear materials formed—credit, provision for chemical processing, and cost of non-nuclear fuel, if any, used for steam superheat facilities.

ITEMS

1. Use charge for nuclear materials in service, in reserve, in cooling, or in chemical processing.
2. Amortization of costs of fuel assemblies and components in use.
3. Burn-up of nuclear fuel.
4. Chemical processing of fuel assemblies including charges for converting recovered materials into a form acceptable to a supplier of nuclear materials, disposal of chemical processing wastes and for transportation of materials.
5. Plutonium and other nuclear materials—credit.
6. Oil, gas, coal or other fuel used in auxiliary steam superheat facilities, at cost delivered to station.

NOTE: The utility shall adopt the necessary accounting procedures to assure that charges to this account shall, so far as practicable, be accurately distributed to accounting periods. Where computed amounts are derived from estimates, corrections of this account shall be made promptly when it is ascertained that significant revisions of the estimates are necessary. Where significant delayed adjustments are necessary, such ad-

justments shall be made in accordance with the provisions of general instruction 7, Delayed Items.

519 Coolants and water.

This account shall include the cost of labor, materials used and expenses incurred for heat transfer materials and water used for steam and cooling purposes.

ITEMS

Labor:
1. Operation of water supply facilities.
2. Handling of coolants and heat transfer materials.

Materials and Expenses:
3. Chemicals.
4. Additions to or refining of, fluids used in reactor systems.
5. Lubricants.
6. Pumping supplies and expenses.
7. Miscellaneous supplies and expenses.
8. Purchased water.

NOTE: Do not include in this account water for general station use or the initial charge for coolants, heat transfer or moderator fluids, chemicals or other supplies capitalized.

520 Steam expenses.

This account shall include the cost of labor, materials used and expenses incurred in production of steam through nuclear processes, and similar expenses for operation of any auxiliary superheat facilities.

ITEMS

Labor:
1. Supervising steam production.
2. Fuel handling including removal, insertion, disassembly and preparation for cooling operations and shipment.
3. Testing instruments and gauges.
4. Health, safety, monitoring and decontamination activities.
5. Waste disposal.
6. Operating steam boilers and auxiliary steam, superheat facilities.

Materials and Expenses:
7. Chemical supplies.
8. Charts, logs, etc.
9. Health, safety, monitoring and decontamination supplies.
10. Boiler inspection fees.
11. Lubricants.

521 Steam from other sources.

This account shall include the cost of steam purchased or transferred from another department of the utility or from others under a joint facility operating arrangement for use in prime movers devoted to the production of electricity.

NOTE: The records shall be so kept as to show separately, for each company from which steam is purchased, the point of delivery, the quantity, the price, and the total charge. When steam is transferred from another operating department, the utility shall be prepared to show full details of the cost of producing such steam, the basis of the charges to electric generation, and the extent and manner of use by each department involved.

522 Steam transferred—Credit.

A. This account shall include credits for expenses of producing steam which are charged to others or to other utility departments under a joint operating arrangement. Include also credits for steam expenses chargeable to other electric accounts outside of the steam generation group. Full details of the basis of determination of the cost of steam transferred shall be maintained.

B. If the charges to others or to other departments of the utility include an amount for depreciation, taxes and return on the joint steam facilities, such portion of the charge shall be credited, in the case of others, to account 454, Rent from Electric Property, and in the case of other departments of the utility, to account 455, Interdepartmental Rents.

523 Electric expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating turbogenerators, steam turbines and their auxiliary apparatus, switch gear and other electric equipment to the points where electricity leaves for conversion for transmission or distribution.

ITEMS

Labor:
1. Supervising electric production.
2. Operating turbines, engines, generators and exciters.
3. Operating condensers, circulating water systems and other auxiliary apparatus.
4. Operating generator cooling system.
5. Operating lubrication and oil control system, including oil purification.
6. Operating switchboards, switch gear and electric control and protective equipment.
7. Keeping plant log and records and preparing reports on electric plant operations.
8. Testing, checking and adjusting meters, gauges, and other instruments, relays, controls and other equipment in the electric plant.
9. Cleaning electric plant equipment when not incidental to maintenance.
10. Repacking glands and replacing gauge glasses.

Materials and Expenses:
11. Lubricants and control system oils.
12. Generator cooling gases.
13. Log sheets and charts.
14. Motor and generator brushes.

524 Miscellaneous nuclear power expenses.

This account shall include the cost of labor, materials used and expenses incurred which are not specifically provided for or are not readily assignable to other nuclear generation operation accounts.

ITEMS

Labor:
1. General clerical and stenographic work.
2. Plant security.
3. Building service.
4. Care of grounds, including snow removal, cutting grass, etc.
5. Miscellaneous labor.

Materials and Expenses:
6. General operating supplies, such as tools, gaskets, hose, indicating lamps, record and report forms, etc.
7. First-aid supplies and safety equipment.
8. Employees' service facilities expenses.
9. Building service supplies.
10. Communication service.
11. Miscellaneous office supplies and expenses, printing and stationery.
12. Transportation expenses.
13. Meals, traveling and incidental expenses.

525 Rents.

This account shall include all rents of property of others used, occupied or operated in connection with nuclear generation. (See operating expense instruction 3.)

Maintenance

528 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of nuclear generation facilities. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

529 Maintenance of structures.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures, the book cost of which is includible in account 321, Structures and Improvements. (See operating expense instruction 2.)

530 Maintenance of reactor plant equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of reactor plant, the book cost of which is includible in account 322, Reactor Plant Equipment. (See operating expense instruction 2.)

531 Maintenance of electric plant.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of electric plant, the book cost of which is includible in account 323, Turbogenerator Units, and account 324, Accessory Electric Equipment. (See operating expense instruction 2.)

532 Maintenance of miscellaneous nuclear plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of miscellaneous nuclear generating plant, the book cost of which is includible in account 325, Miscellaneous Power Plant Equipment. (See operating expense instruction 2.)

C. HYDRAULIC POWER GENERATION

Operation

535 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of hydraulic power generating stations. Direct supervision of specific activities, such as hydraulic operation, generator operation, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

536 Water for power.

This account shall include the cost of water used for hydraulic power generation.

ITEMS

1. Cost of water purchased from others, including water tolls paid reservoir companies.
2. Periodic payments for licenses or permits from any governmental agency for water rights, or payments based on the use of the water.
3. Periodic payments for riparian rights.
4. Periodic payments for headwater benefits or for detriments to others.
5. Cloud seeding.

537 Hydraulic expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating hydraulic works including reservoirs, dams and waterways, and in activities directly relating to the hydroelectric development outside the generating station.

ITEMS

Labor:
1. Supervising hydraulic operation.
2. Removing debris and ice from trash racks, reservoirs and waterways.
3. Patrolling reservoirs and waterways.
4. Operating intakes, spillways, sluiceways, and outlet works.
5. Operating bubbler, heater or other deicing systems.
6. Ice and log jam work.
7. Operating navigation facilities.
8. Operations relating to conservation of game, fish, forests, etc.
9. Insect control activities.

Materials and Expenses:
10. Insect control materials.
11. Lubricants, packing, and other supplies used in operation of hydraulic equipment.
12. Supplies and expenses in conservation of game, fish, forests, etc.
13. Transportation expense.

538 Electric expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating prime movers, generators, and their auxiliary apparatus, switchgear, and other electric equipment, to the point where electricity leaves for conversion for transmission or distribution.

ITEMS

Labor:
1. Supervising electric production.
2. Operating prime movers, generators and auxiliary equipment.
3. Operating generator cooling system.
4. Operating lubrication and oil control systems, including oil purification.
5. Operating switchboards, switchgear, and electric control and protection equipment.
6. Keeping plant log and records and preparing reports on plant operations.
7. Testing, checking and adjusting meters, gauges, and other instruments, relays, controls, and other equipment in the plant.
8. Cleaning plant equipment when not incidental to maintenance work.
9. Repacking glands.

Materials and Expenses:
10. Lubricants and control system oils.
11. Motor and generator brushes.

539 Miscellaneous hydraulic power generation expenses.

This account shall include the cost of labor, materials used and expenses incurred which are not specifically provided for or are not readily assignable to other hydraulic generation operation expense accounts.

ITEMS

Labor:
1. General clerical and stenographic work.
2. Guarding and patrolling plant and yard.
3. Building service.
4. Care of grounds including snow removal, cutting grass, etc.
5. Snow removal from roads and bridges.
6. Miscellaneous labor.

Materials and Expenses:
7. General operating supplies, such as tools, gaskets, packing, waste, hose, indicating lamps, record and report forms, etc.
8. First-aid supplies and safety equipment.
9. Employees' service facilities expenses.
10. Building service supplies.
11. Communication service.
12. Office supplies, printing and stationery.
13. Transportation expenses.
14. Fuel.
15. Meals, traveling and incidental expenses.

540 Rents.

This account shall include all rents of property of others used, occupied or operated in connection with hydraulic power generation, including amounts payable to the United States for the occupancy of public lands and reservations for reservoirs, dams, flumes, forebays, penstocks, power houses, etc., but not including transmission right of way. (See operating expense instruction 3.)

Maintenance

541 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the maintenance of hydraulic power generating stations. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

542 Maintenance of structures.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of hydraulic structures, the book cost of which is includible in account 331, Structures and Improvements. (See operating expense instruction 2.)

543 Maintenance of reservoirs, dams and waterways.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant includible in account 332, Reservoirs, Dams and Waterways. (See operating expense instruction 2.)

544 Maintenance of electric plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant includible in account 333, Water Wheels, Turbines and Generators, and account 334, Accessory Electric Equipment. (See operating expense instruction 2.)

545 Maintenance of miscellaneous hydraulic plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in account 335, Miscellaneous Power Plant Equipment, and account 336, Roads, Railroads and Bridges. (See operating expense instruction 2.)

D. OTHER POWER GENERATION

Operation

546 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of other power generating stations. Direct supervision of specific activities, such as fuel handling, engine and generator operation, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

547 Fuel.

This account shall include the cost delivered at the station (see account 151, Fuel Stock) of all fuel, such as gas, oil, kerosene, and gasoline used in other power generation.

548 Generation expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating prime movers, generators and electric equipment in other power generating stations, to the point where electricity leaves for conversion for transmission or distribution.

ITEMS

Labor:
1. Supervising other power generation operation.
2. Operating prime movers, generators and auxiliary apparatus and switching and other electric equipment.
3. Keeping plant log and records and preparing reports on plant operations.
4. Testing, checking, cleaning, oiling and adjusting equipment.

Materials and Expenses:
5. Dynamo, motor, and generator brushes.
6. Lubricants and control system oils.
7. Water for cooling engines and generators.

549 Miscellaneous other power generation expenses.

This account shall include the cost of labor, materials used and expenses incurred in the operation of other power generating stations which are not specifically provided for or are not readily assignable to other generation expense accounts.

ITEMS

Labor:
1. General clerical and stenographic work.
2. Guarding and patrolling plant and yard.
3. Building service.
4. Care of grounds, including snow removal, cutting grass, etc.
5. Miscellaneous labor.

Materials and Expenses:
6. Building service supplies.
7. First-aid supplies and safety equipment.
8. Communication service.
9. Employees' service facilities expenses.
10. Office supplies, printing and stationery.
11. Transportation expense.
12. Meals, traveling and incidental expenses.
13. Fuel for heating.
14. Water for fire protection or general use.
15. Miscellaneous supplies, such as hand tools, drills, saw blades, files, etc.

550 Rents.

This account shall include all rents of property of others used, occupied, or operated in connection with other power generation. (See operating expense instruction 3.)

Maintenance

551 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the maintenance of other power generating stations. Direct field supervision of specific jobs shall be charged to the appro-

priate maintenance account. (See operating expense instruction 1.)

552 Maintenance of structures.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of facilities used in other power generation, the book cost of which is includible in account 341, Structures and Improvements, and account 342, Fuel Holders, Producers and Accessories. (See operating expense instruction 2.)

553 Maintenance of generating and electric equipment.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in account 343, Prime Movers, account 344, Generators, and account 345, Accessory Electric Equipment. (See operating expense instruction 2.)

554 Maintenance of miscellaneous other power generation plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of other power generation plant, the book cost of which is includible in account 346, Miscellaneous Power Plant Equipment. (See operating expense instruction 2.)

E. OTHER POWER SUPPLY EXPENSES

555 Purchased power.

A. This account shall include the cost at point of receipt by the utility of electricity purchased for resale. It shall include, also, net settlements for exchange of electricity or power, such as economy energy, off-peak energy for on-peak energy, spinning reserve capacity, etc. In addition, the account shall include the net settlements for transactions under pooling or interconnection agreements wherein there is a balancing of debits and credits for energy, capacity, etc. Distinct purchases and sales shall not be recorded as exchanges and net amounts only recorded merely because debit and credit amounts are combined in the voucher settlement.

B. The records supporting this account shall show, by months, the demands and demand charges, kilowatt-hours and prices thereof under each purchase contract and the charges and credits under each exchange or power pooling contract.

556 System control and load dispatching.

This account shall include the cost of labor and expenses incurred in load dispatching activities for system control. Utilities having an interconnected electric system or operating under a central authority which controls the production and dispatching of electricity may apportion these costs to this account and accounts 561, Load Dispatching—Transmission, and 581, Load Dispatching—Distribution.

ITEMS

Labor:
1. Allocating loads to plants and interconnections with others.
2. Directing switching.
3. Arranging and controlling clearances for construction, maintenance, test and emergency purposes.
4. Controlling system voltages.
5. Recording loadings, water conditions, etc.
6. Preparing operating reports and data for billing and budget purposes.
7. Obtaining reports on the weather and special events.

Expenses:
8. Communication service provided for system control purposes.
9. System record and report forms.
10. Meals, traveling and incidental expenses.
11. Obtaining weather and special events reports.

557 Other expenses.

A. This account shall be charged with any production expenses, including expenses incurred directly in connection with the purchase of electricity, which are not specifically provided for in other production expense accounts. Charges to this account shall be supported so that a description of each type of charge will be readily available.

B. Recoveries from insurance companies, under use and occupancy provisions of policies, of amounts in reimbursement of excessive or added production costs for which the insurance company is liable under the terms of the policy shall be credited to this account.

2. TRANSMISSION EXPENSES

Operation

560 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of the transmission system as a whole. Direct supervision of specific activities, such as station operation, line operation, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

561 Load dispatching.

This account shall include the cost of labor, materials used and expenses incurred in load dispatching operations pertaining to the transmission of electricity.

ITEMS

Labor:
1. Directing switching.
2. Arranging and controlling clearances for construction, maintenance, test and emergency purposes.
3. Controlling system voltages.
4. Obtaining reports on the weather and special events.
5. Preparing operating reports and data for billing and budget purposes.

Expenses:
6. Communication service provided for system control purposes.
7. System record and report forms.
8. Meals, traveling and incidental expenses.
9. Obtaining weather and special events reports.

562 Station expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating transmission substations and switching stations. If transmission station equipment is located in or adjacent to a generating station, the expenses applicable to transmission station operations shall nevertheless be charged to this account.

ITEMS

Labor:
1. Supervising station operation.
2. Adjusting station equipment where such adjustment primarily affects performance, such as regulating the flow of cooling water, adjusting current in fields of a machine or changing voltage of regulators, changing station transformer taps.
3. Inspecting, testing and calibrating station equipment for the purpose of checking its performance.
4. Keeping station log and records and preparing reports on station operation.
5. Operating switching and other station equipment.
6. Standing watch, guarding, and patrolling station and station yard.
7. Sweeping, mopping, and tidying station.
8. Care of grounds, including snow removal, cutting grass, etc.

Materials and Expenses:
9. Building service expenses.
10. Operating supplies, such as lubricants, commutator brushes, water, and rubber goods.
11. Station meter and instrument supplies, such as ink and charts.
12. Station record and repor forms.
13. Tool expense.
14. Transportation expenses.
15. Meals, traveling, and incidental expenses.

563 Overhead line expenses.

564 Underground line expenses.

A. These accounts shall include the cost of labor, materials used and expenses incurred in the operation of transmission lines.

B. If the expenses are not substantial for both overhead and underground lines, these accounts may be combined.

ITEMS

Labor:
1. Supervising line operation.
2. Inspecting and testing lightning arresters, circuit breakers, switches, and grounds.
3. Load tests of circuits.
4. Routine line patrolling.
5. Routine voltage surveys made to determine the condition or efficiency of transmission system.
6. Transferring loads, switching and reconnecting circuits and equipment for operating purposes. (Switching for construction or maintenance purposes is not includible in this account.)
7. Routine inspection and cleaning of manholes, conduit, network and transformer vaults.
8. Electrolysis surveys.
9. Inspecting and adjusting line-testing equipment, such as voltmeters, ammeters, wattmeters, etc.
10. Regulation and addition of oil or gas in high-voltage cable systems.

Materials and Expenses:
11. Transportation expenses.
12. Meals, traveling and incidental expenses.
13. Tool expenses.
14. Operating supplies, such as instrument charts, rubber goods, etc.

565 Transmission of electricity by others.

This account shall include amounts payable to others for the transmission of the utility's electricity over transmission facilities owned by others.

566 Miscellaneous transmission expenses.

This account shall include the cost of labor, materials used and expenses in-

curred in transmission map and record work, transmission office expenses, and other transmission expenses not provided for elsewhere.

ITEMS

Labor:
1. General records of physical characteristics of lines and stations, such as capacities, etc.
2. Ground resistance records.
3. Janitor work at transmission office buildings, including care of grounds, snow removal, cutting grass, etc.
4. Joint pole maps and records.
5. Line load and voltage records.
6. Preparing maps and prints.
7. General clerical and stenographic work.
8. Miscellaneous labor.

Materials and Expenses
9. Communication service.
10. Building service supplies.
11. Map and record supplies.
12. Transmission office supplies and expenses, printing and stationery.
13. First-aid supplies.

567 Rents.

This account shall include rents of property of others used, occupied, or operated in connection with the transmission system, including payments to the United States and others for use of public or private lands and reservations for transmission line rights of way. (See operating expense instruction 3.)

Maintenance

568 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of the transmission system. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

569 Maintenance of structures.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures, the book cost of which is includible in account 352, Structures and Improvements. (See operating expense instruction 2.)

570 Maintenance of station equipment.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of station equipment the book cost of which is includible in account 353, Station Equipment. (See operating expense instruction 2.)

571 Maintenance of overhead lines.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of transmission plant, the book cost of which is includible in accounts 354, Towers and Fixtures, 355, Poles and Fixtures, 356, Overhead Conductors and Devices, 359, Roads and Trails. (See operating expense instruction 2.)

ITEMS

1. Work of the following character on poles, towers and fixtures:
a. Installing or removing additional clamps or strain insulators on guys in place.
b. Moving line or guy pole in relocation of the same pole or section of line.
c. Painting poles, towers, crossarms or pole extensions.
d. Readjusting and changing position of guys or braces.
e. Realigning and straightening poles, crossarms braces, and other pole fixtures.
f. Reconditioning reclaimed pole fixtures.
g. Relocating crossarms, racks, brackets, and other fixtures on poles.
h. Repairing or realigning pins, racks, or brackets.
i. Repairing pole supported platform.
j. Repairs by others to jointly owned poles.
k. Shaving, cutting rot, or treating poles or crossarms in use or salvaged for reuse.
l. Stubbing poles already in service.
m. Supporting fixtures and conductors and transferring them to new pole during poles replacements.
n. Maintenance of pole signs, stencils, tags, etc.
2. Work of the following character on overhead conductors and devices:
a. Overhauling and repairing line cutouts, line switches, line breakers, etc.
b. Cleaning insulators and bushings.
c. Refusing cutouts.
d. Repairing line oil circuit breakers and associated relays and control wiring.
e. Repairing grounds.
f. Resagging, retying, or rearranging position or spacing of conductors.
g. Standing by phones, going to calls, cutting faulty lines clear, or similar activities at times of emergencies.
h. Sampling, testing, changing, purifying, and replenishing insulating oil.
i. Repairing line testing equipment.
j. Transferring loads, switching and reconnecting circuits and equipment for maintenance purposes.
k. Trimming trees and clearing brush.
l. Chemical treatment of right of way areas when occurring subsequent to construction of line.
3. Work of the following character on roads and trails:
a. Repairing roadway, bridges, etc.
b. Trimming trees and brush to maintain previous roadway clearance.
c. Snow removal from roads and trails.
d. Maintenance work on publicly owned roads and trails when done by utility at its expense.

572 Maintenance of underground lines.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of transmission plant, the book cost of which is includible in accounts 357, Underground Conduit, and 358, Underground Conductors and Devices. (See operating expense instruction 2.)

ITEMS

1. Work of the following character on underground conduit:
a. Cleaning ducts, manholes, and sewer connections.
b. Minor alterations of handholes, manholes, or vaults.
c. Refastening, repairing, or moving racks, ladders, or hangers in manholes, or vaults.
d. Plugging and shelving or replugging ducts.
e. Repairs to sewers and drains, walls and floors, rings and covers.
2. Work of the following character on underground conductors and devices:
a. Repairing oil circuit breakers, switches, cutouts, and control wiring.
b. Repairing grounds.
c. Retraining and reconnecting cables in manhole, including transfer of cables from one duct to another.
d. Repairing conductors and splices.
e. Repairing or moving junction boxes and potheads.
f. Refireproofing of cables and repairing supports.
g. Repairing electrolysis preventive devices for cables.
h. Repairing cable bonding systems.
i. Sampling, testing, changing, purifying and replenishing insulating oil.
j. Transferring loads, switching and reconnecting circuits and equipment for maintenance purposes
k. Repairing line testing equipment.
l. Repairs to oil or gas equipment in high-voltage cable system and replacement of oil or gas.

573 Maintenance of miscellaneous transmission plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of owned or leased plant which is assignable to transmission operations and is not provided for elsewhere. (See operating expense instruction 2.)

3. DISTRIBUTION EXPENSES

Operation

580 Operation supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of the distribution system. Direct supervision of specific activities, such as station operation, line operation, meter department operation, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

581 Load dispatching.

This account (the keeping of which is optional with the utility) shall include the cost of labor, materials used and expenses incurred in load dispatching operations pertaining to the distribution of electricity.

ITEMS

Labor:
1. Directing switching.
2. Arranging and controlling clearances for construction, maintenance, test and emergency purposes.
3. Controlling system voltages.
4. Preparing operating reports.
5. Obtaining reports on the weather and special events.

Expenses:
6. Communication service provided for system control purposes.
7. System record and report forms.
8. Meals, traveling and incidental expenses.

582 Station expenses.

This account shall include the cost of labor, materials used and expenses incurred in the operation of distribution substations.

ITEMS

Labor:
1. Supervising station operation.
2. Adjusting station equipment where such adjustment primarily affects performance, such as regulating the flow of cooling water, adjusting current in fields of a machine, changing voltage of regulators, or changing station transformer taps.
3. Keeping station log and records and preparing reports on station operation.
4. Inspecting, testing, and calibrating station equipment for the purpose of checking its performance.
5. Operating switching and other station equipment.
6. Standing watch, guarding and patrolling station and station yard.
7. Sweeping, mopping, and tidying station.
8. Care of grounds, including snow removal, cutting grass, etc.

Materials and Expenses:
9. Building service expenses.
10. Operating, supplies, such as lubricants, commutator brushes, water, and rubber goods.
11. Station meter and instrument supplies, such as ink and charts.
12. Station record and report forms.
13. Tool expense.
14. Transportation expense.
15. Meals, traveling, and incidental expenses.

NOTE: If the utility owns storage battery equipment used for supplying electricity to customers in periods of emergency, the cost of operating labor and of supplies, such as acid, gloves, hydrometers, thermometers, soda, automatic cell fillers, acid proof shoes, etc., shall be included in this account. If significant in amount, a separate subdivision shall be maintained for such expenses.

583 Overhead line expenses.

584 Underground line expenses.

These accounts shall include, respectively, the cost of labor, materials used and expenses incurred in the operation of overhead and underground distribution lines.

ITEMS

Labor:
1. Supervising line operation.
2. Changing line transformer taps.
3. Inspecting and testing lightning arresters, line circuit breakers, switches, and grounds.
4. Inspecting and testing line transformers for the purpose of determining load, temperature, or operating performance.
5. Patrolling lines.
6. Load tests and voltage surveys of feeders, circuits, and line transformers.
7. Removing line transformers and voltage regulators with or without replacement.
8. Installing line transformers or voltage regulators with or without change in capacity provided that the cost of first installation of these items is included in account 368, Line Transformers.
9. Voltage surveys, either routine or upon request of customers, including voltage tests at customer's main switch.
10. Transferring loads, switching and reconnecting circuits and equipment for operation purposes.
11. Electrolysis surveys.
12. Inspecting and adjusting line testing equipment.

Materials and Expenses:
13. Tool expense.
14. Transportation expense.
15. Meals, traveling, and incidental expense.
16. Operating supplies, such as instrument charts, rubber goods, etc.

585 Street lighting and signal system expenses.

This account shall include the cost of labor, materials used and expenses incurred in: (1) The operation of street lighting and signal system plant which is owned or leased by the utility; and (2) the operation and maintenance of such plant owned by customers where such work is done regularly as a part of the street lighting and signal system service.

ITEMS

Labor:
1. Supervising street lighting and signal systems operation.
2. Replacing lamps and incidental cleaning of glassware and fixtures in connection therewith.
3. Routine patrolling for lamp outages, extraneous nuisances or encroachments, etc.
4. Testing lines and equipment including voltage and current measurement.
5. Winding and inspection of time switch and other controls.

Materials and Expenses:
6. Street lamp renewals.
7. Transportation and tool expense.
8. Meals, traveling, and incidental expenses.

586 Meter expenses.

This account shall include the cost of labor, materials used and expenses incurred in the operation of customer meters and associated equipment.

ITEMS

Labor:
1. Supervising meter operation.
2. Clerical work on meter history and associated equipment record cards, test cards, and reports.
3. Disconnecting and reconnecting, removing and reinstalling, sealing and unsealing meters and other metering equipment in connection with initiating or terminating services including the cost of obtaining meter readings, if incidental to such operation.
4. Consolidating meter installations due to elimination of separate meters for different rates of service.
5. Changing or relocating meters, instrument transformers, time switches, and other metering equipment.
6. Resetting time controls, checking operation of demand meters and other metering equipment, when done as an independent operation.
7. Inspecting and adjusting meter testing equipment.
8. Inspecting and testing meters, instrument transformers, time switches, and other metering equipment on premises or in shops excluding inspecting and testing incidental to maintenance.

Materials and Expenses:
9. Meter seals and miscellaneous meter supplies.
10. Transportation expenses.
11. Meals, traveling, and incidental expenses.
12. Tool expenses.

NOTE: The cost of the first setting and testing of a meter is chargeable to utility plant account 370, Meters.

587 Customer installations expenses.

This account shall include the cost of labor, materials used and expenses incurred in work on customer installations in inspecting premises and in rendering services to customers of the nature of those indicated by the list of items hereunder.

ITEMS

Labor:
1. Supervising customer installations work.
2. Inspecting premises, including check of wiring for code compliance.
3. Investigating, locating, and clearing grounds on customers' wiring.
4. Investigating service complaints, including load tests of motors and lighting and power circuits on customers' premises; field investigations of complaints on bills or of voltage.
5. Installing, removing, renewing, and changing lamps and fuses.
6. Radio, television and similar interference work including erection of new aerials on customers' premises and patrolling of lines, testing of lightning arresters, inspection of pole hardware, etc., and examination on or off premises of customers' appliances, wiring, or equipment to locate cause of interference.
7. Installing, connecting, reinstalling, or removing leased property on customers' premises.
8. Testing, adjusting, and repairing customers' fixtures and appliances in shop or on premises.
9. Cost of changing customers' equipment due to changes in service characteristics.
10. Investigation of current diversion including setting and removal of check meters and securing special readings thereon; special calls by employees in connection with discovery and settlement of current diversion; changes in customer wiring and any other labor cost identifiable as caused by current diversion.

Materials and Expenses:
11. Lamp and fuse renewals.
12. Materials used in servicing customers' fixtures, appliances and equipment.
13. Power, light, heat, telephone, and other expenses of appliance repair department.
14. Tool expense.
15. Transportation expense, including pickup and delivery charges.
16. Meals, traveling and incidental expenses.
17. Rewards paid for discovery of current diversion.

NOTE A: Amounts billed customers for any work, the cost of which is charged to this account, shall be credited to this account. Any excess over costs resulting therefrom shall be transferred to account 451, Miscellaneous Service Revenues.

NOTE B: Do not include in this account expenses incurred in connection with merchandising, jobbing and contract work.

588 Miscellaneous distribution expenses.

This account shall include the cost of labor, materials used and expenses incurred in distribution system operation not provided for elsewhere.

ITEMS

Labor:
1. General records of physical characteristics of lines and substations, such as capacities, etc.
2. Ground resistance records.
3. Joint pole maps and records.
4. Distribution system voltage and load records.
5. Preparing maps and prints.
6. Service interruption and trouble records.
7. General clerical and stenographic work except that chargeable to account 586, Meter Expenses.
8. Operating records covering poles, transformers, manholes, cables, and other distribution facilities. Exclude meter records chargeable to account 586, Meter Expenses, and station records chargeable to account 582, Station Expenses, and stores records chargeable to account 163, Stores Expense Undistributed.
9. Janitor work at distribution office buildings including snow removal, cutting grass, etc.

Materials and Expenses:
10. Communication service.
11. Building service expenses.
12. Miscellaneous office supplies and expenses, printing, and stationery, maps and records and first-aid supplies.

589 Rents.

This account shall include rents of property of others used, occupied, or operated in connection with the distribution system, including payments to the United States and others for the use and occupancy of public lands and reservations for distribution line rights of way. (See operating expense instruction 3.)

Maintenance

590 Maintenance supervision and engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of the distribution system. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

591 Maintenance of structures.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of structures, the book cost of which is includible in account 361, Structures and Improvements. (See operating expense instruction 2.)

592 Maintenance of station equipment.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in account 362, Station Equipment, and account 363, Storage Battery Equipment. (See operating expense instruction 2.)

593 Maintenance of overhead lines.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of overhead distribution line facilities, the book cost of which is includible in account 364, Poles, Towers and Fixtures, account 365, Overhead Conductors and Devices, and account 369, Services. (See operating expense instruction 2.)

ITEMS

1. Work of the following character on poles, towers, and fixtures:
a. Installing additional clamps or removing clamps or strain insulators on guys in place.
b. Moving line or guy pole in relocation of pole or section of line.
c. Painting poles, towers, crossarms, or pole extensions.
d. Readjusting and changing position of guys or braces.
e. Realigning and straightening poles, crossarms, braces, pins, racks, brackets, and other pole fixtures.
f. Reconditioning reclaimed pole fixtures.
g. Relocating crossarms, racks, brackets, and other fixtures on poles.
h. Repairing pole supported platform.
i. Repairs by others to jointly owned poles.
j. Shaving, cutting rot, or treating poles or crossarms in use or salvaged for reuse.
k. Stubbing poles already in service.
l. Supporting conductors, transformers, and other fixtures and transferring them to new poles during pole replacements.
m. Maintaining pole signs, stencils, tags, etc.
2. Work of the following character on overhead conductors and devices:
a. Overhauling and repairing line cutouts, line switches, line breakers, and capacitor installations.
b. Cleaning insulators and bushings.
c. Refusing line cutouts.
d. Repairing line oil circuit breakers and associated relays and control wiring.
e. Repairing grounds.
f. Resagging, retying, or rearranging position or spacing of conductors.
g. Standing by phones, going to calls, cutting faulty lines clear, or similar activities at times of emergency.
h. Sampling, testing, changing, purifying, and replenishing insulating oil.
i. Transferring loads, switching, and reconnecting circuits and equipment for maintenance purposes.
j. Repairing line testing equipment.
k. Trimming trees and clearing brush.
l. Chemical treatment of right of way area when occurring subsequent to construction of line.
3. Work of the following character on overhead services:
a. Moving position of service either on pole or on customers' premises.
b. Pulling slack in service wire.
c. Retying service wire.
d. Refastening or tightening service bracket.

594 Maintenance of underground lines.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of underground distribution line facilities, the book cost of which is includible in account 366, Underground Conduit, account 367, Underground Conductors and Devices, and account 369, Services. (See operating expense instruction 2.)

ITEMS

1. Work of the following character on underground conduit:
a. Cleaning ducts, manholes, and sewer connections.
b. Moving or changing position of conduit or pipe.
c. Minor alterations of handholes, manholes, or vaults.
d. Refastening, repairing, or moving racks, ladders, or hangers in manholes or vaults.
e. Plugging and shelving ducts.
f. Repairs to sewers, drains, walls, and floors, rings and covers.
2. Work of the following character on underground conductors and devices:
a. Repairing circuit breakers, switches, cutouts, network protectors, and associated relays and control wiring.
b. Repairing grounds.
c. Retraining and reconnecting cables in manholes including transfer of cables from one duct to another.
d. Repairing conductors and splices.
e. Repairing or moving junction boxes and potheads.
f. Refireproofing cables and repairing supports.
g. Repairing electrolysis preventive devices for cables.
h. Repairing cable bonding systems.
i. Sampling, testing, changing, purifying, and replenishing insulating oil.
j. Transferring loads, switching and reconnecting circuits and equipment for maintenance purposes.
k. Repairing line testing equipment.
l. Repairing oil or gas equipment in high voltage cable systems and replacement of oil or gas.
3. Work of the following character on underground services:
a. Cleaning ducts.
b. Repairing any underground service plant.

595 Maintenance of line transformers.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of distribution line transformers, the book cost of which is includible in account 368, Line Transformers. (See operating expense instruction 2.)

596 Maintenance of street lighting and signal systems.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in account 373, Street Lighting and Signal Systems. (See operating expense instruction 2.)

597 Maintenance of meters.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of meters and meter testing equipment, the book cost of which is includible in account 370, Meters, and account 395, Laboratory Equipment, respectively. (See operating expense instruction 2.)

598 Maintenance of miscellaneous distribution plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in accounts 371, Installations on Customers' Premises, and 372, Leased Property on Customers' Premises, and any other plant the maintenance of which is assignable to the distribution function and is not provided for elsewhere. (See operating expense instruction 2.)

ITEMS

1. Work of similar nature to that listed in other distribution maintenance accounts.
2. Maintenance of office furniture and equipment used by distribution system department.

4. CUSTOMER ACCOUNTS EXPENSES

Operation

901 Supervision.

This account shall include the cost of labor and expenses incurred in the general direction and supervision of customer accounting and collecting activities. Direct supervision of a specific activity shall be charged to account 902, Meter Reading Expenses, or account 903, Customer Records and Collection Expenses, as appropriate. (See operating expense instruction 1.)

902 Meter reading expenses.

This account shall include the cost of labor, materials used and expenses incurred in reading customer meters, and determining consumption when performed by employees engaged in reading meters.

ITEMS

Labor:
1. Addressing forms for obtaining meter readings by mail.
2. Changing and collecting meter charts used for billing purposes.
3. Inspecting time clocks, checking seals, etc., when performed by meter readers and the work represents a minor activity incidental to regular meter reading routine.
4. Reading meters, including demand meters, and obtaining load information for billing purposes. Exclude and charge to account 586, Meter Expenses, or to account 903, Customer Records and Collection Expenses, as applicable, the cost of obtaining meter readings, first and final, if incidental to the operation of removing or resetting, sealing, or locking, and disconnecting or reconnecting meters.
5. Computing consumption from meter reader's book or from reports by mail when done by employees engaged in reading meters.
6. Collecting from prepayment meters when incidental to meter reading.

7. Maintaining record of customers' keys.
8. Computing estimated or average consumption when performed by employees engaged in reading meters.

Materials and Expenses:

9. Badges, lamps, and uniforms.
10. Demand charts, meter books and binders and forms for recording readings, but not the cost of preparation.
11. Postage and supplies used in obtaining meter readings by mail.
12. Transportation, meals, and incidental expenses.

903 Customer records and collection expenses.

This account shall include the cost of labor, materials used and expenses incurred in work on customer applications, contracts, orders, credit investigations, billing and accounting, collections and complaints.

ITEMS

Labor:

1. Receiving, preparing, recording and handling routine orders for service, disconnections, transfers or meter tests initiated by the customer, excluding the cost of carrying out such orders, which is chargeable to the account appropriate for the work called for by such orders.
2. Investigations of customers' credit and keeping of records pertaining thereto, including records of uncollectible accounts written off.
3. Receiving, refunding or applying customer deposits and maintaining customer deposit, line extension, and other miscellaneous records.
4. Checking consumption shown by meter readers' reports where incidental to preparation of billing data.
5. Preparing address plates and addressing bills and delinquent notices.
6. Preparing billing data.
7. Operating billing and bookkeeping machines.
8. Verifying billing records with contracts or rate schedules.
9. Preparing bills for delivery, and mailing or delivering bills.
10. Collecting revenues, including collection from prepayment meters unless incidental to meter-reading operations.
11. Balancing collections, preparing collections for deposit, and preparing cash reports.
12. Posting collections and other credits or charges to customer accounts and extending unpaid balances.
13. Balancing customer accounts and controls.
14. Preparing, mailing, or delivering delinquent notices and preparing reports of delinquent accounts.
15. Final meter reading of delinquent accounts when done by collectors incidental to regular activities.
16. Disconnecting and reconnecting service because of nonpayment of bills.
17. Receiving, recording, and handling of inquiries, complaints, and requests for investigations from customers, including preparation of necessary orders, but excluding the cost of carrying out such orders, which is chargeable to the account appropriate for the work called for by such orders.
18. Statistical and tabulating work on customer accounts and revenues, but not including special analyses for sales department, rate department, or other generrl purposes, unless incidental to regular customer accounting routines.
19. Preparing and periodically rewriting meter reading sheets.
20. Determining consumption and computing estimated or average consumption when performed by employees other than those engaged in reading meters.

Materials and Expenses:

21. Address plates and supplies.
22. Cash overages and shortages.
23. Commissions or fees to others for collecting.
24. Payments to credit organizations for investigations and reports.
25. Postage.
26. Transportation expenses, including transportation of customer bills and meter books under centralized billing procedure.
27. Transportation, meals, and incidental expenses.
28. Bank charges, exchange, and other fees for cashing and depositing customers' checks.
29. Forms for recording orders for services, removals, etc.
30. Rent of mechanical equipment.

NOTE: The cost of work on meter history and meter location records is chargeable to account 586, Meter Expenses.

904 Uncollectible accounts.

This account shall be charged with amounts sufficient to provide for losses from uncollectible utility revenues. Concurrent credits shall be made to account 144, Accumulated Provision for Uncollectible Accounts—Cr. Losses from uncollectible accounts shall be chargd to account 144.

905 Miscellaneous customer accounts expenses.

This account shall include the cost of labor, materials used and expenses incurred not provided for in other accounts.

ITEMS

Labor:

1. General clerical and stenographic work.
2. Miscellaneous labor.

Materials and Expenses:

3. Communication service.
4. Miscellaneous office supplies and expenses and stationery and printing other than those specifically provided for in accounts 902 and 903.

5. SALES EXPENSES

Operation

911 Supervision.

This account shall include the cost of labor and expenses incurred in the general direction and supervision of sales activities, except merchandising. Direct supervision of a specific activity, such as demonstrating, selling, or advertising shall be charged to the account wherein the costs of such activity are included. (See operating expense instruction 1.)

912 Demonstrating and selling expenses.

This account shall include the cost of labor, materials used and expenses incurred in promotional, demonstrating, and selling activities, except by merchandising, the object of which is to promote or retain the use of utility services by present and prospective customers.

ITEMS

Labor:

1. Demonstrating uses of utility services.
2. Conducting cooking schools, preparing recipes, and related home service activities.
3. Exhibitions, displays, lectures, and other programs designed to promote use of utility services.
4. Experimental and development work in connection with new and improved appliances and equipment, prior to general public acceptance.
5. Solicitation of new customers or of additional business from old customers, including commissions paid employees.
6. Engineering and technical advice to present or prospective customers in connection with promoting or retaining the use of utility services.
7. Special customer canvasses when their primary purpose is the retention of business or the promotion of new business.

Materials and Expenses:

8. Supplies and expenses pertaining to demonstration, and experimental and development activities.
9. Booth and temporary space rental.
10. Loss in value on equipment and appliances used for demonstration purposes.
11. Transportation, meals, and incidental expenses.

913 Advertising expenses.

This account shall include the cost of labor, materials used and expenses incurred in advertising designed to promote or retain the use of utility service, except advertising the sale of merchandise by the utility.

ITEMS

Labor:

1. Direct supervision of department.
2. Preparing advertising material for newspapers, periodicals, billboards, etc., and preparing and conducting motion pictures, radio and television programs.
3. Preparing booklets, bulletins, etc., used in direct mail advertising.
4. Preparing window and other displays.
5. Clerical and stenographic work.
6. Investigating advertising agencies and media and conducting negotiations in connection with the placement and subject matter of sales advertising.

Materials and Expenses:

7. Advertising in newspapers, periodicals, billboards, radio, etc., for sales promotion purposes, but not including institutional or goodwill advertising includible in account 930, Miscellaneous General Expenses.
8. Materials and services given as prizes or otherwise in connection with civic lighting contests, canning, or cooking contests, bazaars, etc., in order to publicize and promote the use of utility services.
9. Fees and expenses of advertising agencies and commercial artists.
10. Novelties for general distribution.
11. Postage on direct mail advertising.
12. Premiums distributed generally, such as recipe books, etc., when not offered as inducement to purchase appliances.
13. Printing booklets, dodgers, bulletins, etc.
14. Supplies and expenses in preparing advertising material.
15. Office supplies and expenses.

NOTE A: The cost of advertisements which set forth the value or advantages of utility service without reference to specific appliances, or, if reference is made to appliances, invites the reader to purchase appliances from his dealer, or refer to appliances not carried for sale by the utility, shall be considered sales promotion advertising and charged to this account. However, advertisements which are limited to specific makes of appliances sold by the utility and prices, terms, etc., thereof, without referring to the value or advantages of utility service, shall be considered as merchandise advertising and the cost shall be charged to Cost and Expenses of Merchandising, Jobbing and Contract Work, accounts 416 or 915, as appropriate.

NOTE B: Advertisements which substantially mention or refer to the value or advantages of utility service, together with specific

reference to makes of appliances sold by the utility and the price, terms, etc., thereof, and designed for the joint purpose of increasing the use of utility service and the sales of appliances, shall be considered as a combination advertisement and the costs shall be distributed between this account and accounts 416 or 915, as appropriate, on the basis of space, time, or other proportional factors.

NOTE C: Exclude from this account and charge to account 930, Miscellaneous General Expenses, the cost of publication of stockholder reports, dividend notices, bond redemption notices, financial statements, and other notices of a general corporate character. Exclude also all institutional or goodwill advertising. (See account 930, Miscellaneous General Expenses.)

914 Revenues from merchandising, jobbing and contract work.

915 Costs and expenses of merchandising, jobbing and contract work.

A. These accounts shall include, respectively, all revenues derived from the sale of merchandise and jobbing or contract work, including any profit or commission accruing to the utility on jobbing work performed by it as agent under contracts whereby it does jobbing work for another for a stipulated profit or commission and all expenses incurred in such activities.

B. Records in support of these accounts shall be so kept as to permit ready summarization of revenues, costs and expenses by such major items as are feasible.

NOTE: Revenues and expenses of merchandising, jobbing, and contract work shall be reported in this account, if a state regulatory body having jurisdiction over the utility requires such income to be reported as an operating expense item, but the revenues and expenses shall be reported in accounts 415 and 416, if such regulatory body requires the net income to be reported as nonoperating income. In the absence of a requirement by a state regulatory body, the utility may use these accounts or accounts 415 and 416 at its option, in which case the practice of the utility must be consistent.

ITEMS

Account 914:

1. Revenues from sale of merchandise and from jobbing and contract work.
2. Discounts and allowances made in settlement of bills for merchandise and jobbing work.

Account 915:

Labor:

1. Canvassing and demonstrating appliances in homes and other places for the purpose of selling appliances.
2. Demonstrating and selling activities in sales rooms.
3. Installing appliances on customer premises where such work is done only for purchasers of appliances from the utility.
4. Installing wiring, piping, or other property work on a jobbing or contract basis.
5. Preparing advertising materials for appliance sales purposes.
6. Receiving and handling customer orders for merchandise or for jobbing services.
7. Cleaning and tidying sales rooms.
8. Maintaining display counters and other equipment used in merchandising.
9. Arranging merchandise in sales rooms and decorating display windows.
10. Reconditioning repossessed appliances.
11. Bookkeeping and other clerical work in connection with merchandise and jobbing activities.
12. Supervising merchandise and jobbing operations.

Materials and Expenses:

13. Advertising in newspapers, periodicals, radio, television, etc.
14. Cost of merchandise sold and of materials used in jobbing work.
15. Stores expenses on merchandise and jobbing stocks.
16. Fees and expenses of advertising and commercial artists' agencies.
17. Printing booklets, dodgers, and other advertising data.
18. Premiums given as inducement to buy appliances.
19. Light, heat and power.
20. Rent of sales rooms or of equipment.
21. Transportation expense in delivery and pick-up of appliances by utility's facilities or by others.
22. Stationery and office supplies and expenses.
23. Taxes directly assignable to merchandise and jobbing operations.
24. Losses from uncollectible merchandise and jobbing accounts.

916 Miscellaneous sales expenses.

This account shall include the cost of labor, materials used and expenses incurred in connection with sales activities, except merchandising, which are not includible in other sales expense accounts.

ITEMS

Labor:

1. General clerical and stenographic work not assigned to specific functions.
2. Special analysis of customer accounts and other statistical work for sales purposes not a part of the regular customer accounting and billing routine.
3. Miscellaneous labor.

Materials and Expenses:

4. Communication service.
5. Printing, postage, and office supplies and expenses applicable to sales activities, except those chargeable to account 913, Advertising Expenses.

6. ADMINISTRATIVE AND GENERAL EXPENSES

Operation

920 Administrative and general salaries.

A. This account shall include the compensation (salaries, bonuses, and other consideration for services, but not including directors' fees) of officers, executives, and other employees of the utility properly chargeable to utility operations and not chargeable directly to a particular operating function.

B. This account may be subdivided in accordance with a classification appropriate to the departmental or other functional organization of the utility.

921 Office supplies and expenses.

A. This account shall include office supplies and expenses incurred in connection with the general administration of the utility's operations which are assignable to specific administrative or general departments and are not specifically provided for in other accounts. This includes the expenses of the various administrative and general departments, the salaries and wages of which are includible in account 920.

B. This account may be subdivided in accordance with a classification appropriate to the departmental or other functional organization of the utility.

NOTE: Office expenses which are clearly applicable to any group of operating expenses other than the administrative and general group shall be included in the appropriate account in such group. Further, general expenses which apply to the utility as a whole rather than to a particular administrative function shall be included in account 930, Miscellaneous General Expenses.

ITEMS

1. Automobile service, including charges through clearing account.
2. Bank messenger and service charges.
3. Books, periodicals, bulletins and subscriptions to newspapers, newsletters, tax services, etc.
4. Building service expenses for customer accounts, sales, and administrative and general purposes.
5. Communication service expenses.
6. Cost of individual items of office equipment used by general departments which are of small value or short life.
7. Membership fees and dues in trade, technical, and professional associations paid by a utility for employees. (Company memberships are includible in account 930.)
8. Office supplies and expenses.
9. Payment of court costs, witness fees, and other expenses of legal department.
10. Postage, printing and stationery.
11. Meals, traveling and incidental expenses.

922 Administrative expenses transferred—Credit.

This account shall be credited with administrative expenses recorded in accounts 920 and 921 which are transferred to construction costs or to nonutility accounts. (See electric plant instruction 4.)

923 Outside services employed.

A. This account shall include the fees and expenses of professional consultants and others for general services which are not applicable to a particular operating function or to other accounts. It shall include also the pay and expenses of persons engaged for a special or temporary administrative or general purpose in circumstances where the person so engaged is not considered as an employee of the utility.

B. This account shall be so maintained as to permit ready summarization according to the nature of service and the person furnishing the same.

ITEMS

1. Fees, pay and expenses of accountants and auditors, actuaries, appraisers, attorneys, engineering consultants, management consultants, negotiators, public relations counsel, tax consultants, etc.
2. Supervision fees and expenses paid under contracts for general management services.

NOTE: Do not include inspection and brokerage fees and commissions chargeable to other accounts or fees and expenses in connection with security issues which are includible in the expenses of issuing securities.

924 Property insurance.

A. This account shall include the cost of insurance or reserve accruals to protect the utility against losses and damages to owned or leased property used in its utility operations. It shall include also the cost of labor and related supplies and expenses incurred in property insurance activities.

B. Recoveries from insurance companies or others for property damages shall be credited to the account charged with the cost of the damage. If the

ances in homes and other places for the purpose of selling appliances.

5. Printing, postage, ... and expenses applicable to sales activities.

damaged property has been retired, the credit shall be to the appropriate account for accumulated provision for depreciation.

C. Records shall be kept so as to show the amount of coverage for each class of insurance carried, the property covered, and the applicable premiums. Any dividends distributed by mutual insurance companies shall be credited to the accounts to which the insurance premiums were charged.

ITEMS

1. Premiums payable to insurance companies for fire, storm, burglary, boiler explosion, lightning, fidelity, riot, and similar insurance.
2. Amounts credited to account 261, Property Insurance Reserve, for similar protection.
3. Special costs incurred in procuring insurance.
4. Insurance inspection service.
5. Insurance counsel, brokerage fees, and expenses.

NOTE A: The cost of insurance or reserve accruals capitalized shall be charged to construction either directly or by transfer to construction work orders from this account.

NOTE B: The cost of insurance or reserve accruals for the following classes of property shall be charged as indicated.

(1) Materials and supplies and stores equipment, to account 163, Stores Expense Undistributed, or appropriate materials account.

(2) Transportation and other general equipment to appropriate clearing accounts that may be maintained.

(3) Electric plant leased to others, to account 413, Expenses of Electric Plant Leased to Others.

(4) Nonutility property, to the appropriate nonutility income account.

(5) Merchandise and jobbing property, to account 416, Costs and Expenses of Merchandising, Jobbing and Contract Work, or account 915, as appropriate.

NOTE C: The cost of labor and related supplies and expenses of administrative and general employees who are only incidentally engaged in property insurance work may be included in accounts 920 and 921, as appropriate.

925 Injuries and damages.

A. This account shall include the cost of insurance or reserve accruals to protect the utility against injuries and damages claims of employees or others, losses of such character not covered by insurance, and expenses incurred in settlement of injuries and damages claims. It shall also include the cost of labor and related supplies and expenses incurred in injuries and damages activities.

B. Reimbursements from insurance companies or others for expenses charged hereto on account of injuries and damages and insurance dividends or refunds shall be credited to this account.

ITEMS

1. Premiums payable to insurance companies for protection against claims from injuries and damages by employees or others, such as public liability, property damages, casualty, employee liability, etc., and amounts credited to account 262, Injuries and Damages Reserve, for similar protection.
2. Losses not covered by insurance or reserve accruals on account of injuries or deaths to employees or others and damages to the property of others.
3. Fees and expenses of claim investigators.
4. Payment of awards to claimants for court costs and attorneys' services.
5. Medical and hospital service and expenses for employees as the result of occupational injuries, or resulting from claims of others.
6. Compensation payments under workmen's compensation laws.
7. Compensation paid while incapacitated as the result of occupational injuries. (See Note A.)
8. Cost of safety, accident prevention and similar educational activities.

NOTE A: Payments to or in behalf of employees for accident or death benefits, hospital expenses, medical supplies or for salaries while incapacitated for service or on leave of absence beyond periods normally allowed, when not the result of occupational injuries, shall be charged to account 926, Employee Pensions and Benefits. (See also Note B of account 926.)

NOTE B: The cost of injuries and damages or reserve accruals capitalized shall be charged to construction directly or by transfer to construction work orders from this account.

NOTE C: Exclude herefrom the time and expenses of employees (except those engaged in injuries and damages activities) spent in attendance at safety and accident prevention educational meetings, if occurring during the regular work period.

NOTE D: The cost of labor and related supplies and expenses of administrative and general employees who are only incidentally engaged in injuries and damages activities may be included in accounts 920 and 921, as appropriate.

926 Employee pensions and benefits.

A. This account shall include pensions paid to or on behalf of retired employees, or accruals to provide for pensions, or payments for the purchase of annuities for this purpose, when the utility has definitely, by contract, committed itself to a pension plan under which the pension funds are irrevocably devoted to pension purposes, and payments for employee accident, sickness, hospital, and death benefits, or insurance therefor. Include, also, expenses incurred in medical, educational or recreational activities for the benefit of employees, and administrative expenses in connection with employee pensions and benefits.

B. The utility shall maintain a complete record of accruals or payments for pensions and be prepared to furnish full information to the Commission of the plan under which it has created or proposes to create a pension fund and a copy of the declaration of trust or resolution under which the pension plan is established.

C. There shall be credited to this account the portion of pensions and benefits expenses which is applicable to nonutility operations or which is charged to construction unless such amounts are distributed directly to the accounts involved and are not included herein in the first instance.

D. Records in support of this account shall be so kept that the total pensions expense, the total benefits expense, the administrative expenses included herein, and the amounts of pensions and benefits expenses transferred to construction or other accounts will be readily available.

ITEMS

1. Payment of pensions under a nonaccrual or nonfunded basis.
2. Accruals for or payments to pension funds or to insurance companies for pension purposes.
3. Group and life insurance premiums (credit dividends received).
4. Payments for medical and hospital services and expenses of employees when not the result of occupational injuries.
5. Payments for accident, sickness, hospital, and death benefits or insurance.
6. Payments to employees incapacitated for service or on leave of absence beyond periods normally allowed, when not the result of occupational injuries, or in excess of statutory awards.
7. Expenses in connection with educational and recreational activities for the benefit of employees.

NOTE A: The cost of labor and related supplies and expenses of administrative and general employees who are only incidentally engaged in employee pension and benefit activities may be included in accounts 920 and 921, as appropriate.

NOTE B: Salaries paid to employees during periods of nonoccupational sickness may be charged to the appropriate labor account rather than to employee benefits.

927 Franchise requirements.

A. This account shall include payments to municipal or other governmental authorities, and the cost of materials, supplies and services furnished such authorities without reimbursement in compliance with franchise, ordinance, or similar requirements; provided, however, that the utility may charge to this account at regular tariff rates, instead of cost, utility service furnished without charge under provisions of franchises.

B. When no direct outlay is involved, concurrent credit for such charges shall be made to account 929, Duplicate Charges—Credit.

C. The account shall be maintained so as to readily reflect the amounts of cash outlays, utility service supplied without charge, and other items furnished without charge.

NOTE A: Franchise taxes shall not be charged to this account but to account 408, Taxes Other Than Income Taxes.

NOTE B: Any amount paid as initial consideration for a franchise running for more than one year shall be charged to account 302, Franchises and Consents.

928 Regulatory commission expenses.

A. This account shall include all expenses (except pay of regular employees only incidentally engaged in such work) properly includible in utility operating expenses, incurred by the utility in connection with formal cases before regulatory commissions, or other regulatory bodies, or cases in which such a body is a party, including payments made to a regulatory commission for fees assessed against the utility for pay and expenses of such commission, its officers, agents, and employees, and also including payments made to the United States for the administration of the Federal Power Act.

B. Amounts of regulatory commission expenses which by approval or direction of the Commission are to be spread over

future periods shall be charged to account 186, Miscellaneous Deferred Debits, and amortized by charges to this account.

C. The utility shall be prepared to show the cost of each formal case.

ITEMS

1. Salaries, fees, retainers, and expenses of counsel, solicitors, attorneys, accountants, engineers, clerks, attendants, witnesses, and others engaged in the prosecution of, or defense against petitions or complaints presented to regulatory bodies, or in the valuation of property owned or used by the utility in connection with such cases.

2. Office supplies and expenses, payments to public service or other regulatory commissions, stationery and printing, traveling expenses, and other expenses incurred directly in connection with formal cases before regulatory commissions.

NOTE A: Exclude from this account and include in other appropriate operating expense accounts, expenses incurred in the improvement of service, additional inspection, or rendering reports, which are made necessary by the rules and regulations, or orders, of regulatory bodies.

NOTE B: Do not include in this account amounts includible in account 302, Franchises and Consents, account 181, Unamortized Debt Discount and Expense, or account 214, Capital Stock Expense.

929 Duplicate charges—Credit.

This account shall include concurrent credits for charges which may be made to operating expenses or to other accounts for the use of utility service from its own supply. Include, also, offsetting credits for any other charges made to operating expenses for which there is no direct money outlay.

930 Miscellaneous general expenses.

This account shall include the cost of labor and expenses incurred in connection with the general management of the utility not provided for elsewhere.

ITEMS

Labor:

1. Miscellaneous labor not elsewhere provided for.

Expenses:

2. Industry association dues for company memberships.
3. Contributions for conventions and meetings of the industry.
4. Experimental and general research work for the industry.
5. Communication service not chargeable to other accounts.
6. Trustee, registrar, and transfer agent fees and expenses.
7. Stockholders meeting expenses.
8. Dividend and other financial notices.
9. Printing and mailing dividend checks.
10. Directors' fees and expenses.
11. Publishing and distributing annual reports to stockholders.
12. Institutional or goodwill advertising.
13. Public notices of financial, operating, and other data required by regulatory statutes, not including, however, notices required in connection with security issues or acquisitions of property.

931 Rents.

This account shall include rents properly includible in utility operating expenses for the property of others used, occupied, or operated in connection with the customer accounts, sales, and general and administrative functions of the utility. (See operating expense instruction 3.)

Maintenance

932 Maintenance of general plant.

A. This account shall include the cost assignable to customer accounts, sales and administrative and general functions of labor, materials used and expenses incurred in the maintenance of property, the book cost of which is includible in account 390, Structures and Improvements, account 391, Office Furniture and Equipment, account 397, Communication Equipment, and account 398, Miscellaneous Equipment. (See operating expense instruction 2.)

B. Maintenance expenses on office furniture and equipment used elsewhere than in general, commercial and sales offices shall be charged to the following accounts:

Steam Power Generation, Account 514.
Nuclear Power Generation, Account 532.
Hydraulic Power Generation, Account 545.
Other Power Generation, Account 554.
Transmission, Account 573.
Distribution, Account 598.
Merchandise and Jobbing, Account 416 or 915.
Garages, Shops, etc., Appropriate clearing account, if used.

NOTE: Maintenance of plant included in other general equipment accounts shall be included herein unless charged to clearing accounts or to the particular functional maintenance expense account indicated by the use of the equipment.

[F.R. Doc. 60-4950; Filed, June 6, 1960; 8:45 a.m.]